

EUROPEAN NEWS

EMS currencies may be realigned soon—Androsch

BY DAVID MARSH

A REALIGNMENT of currency parities within the European Monetary System may have to take place 'very soon'...

But because of its close economic and financial ties to the Community, Austria—while not participating formally in the system's exchange rate mechanism...

'observer status' within the EMS. If the problems of occasional parity adjustments were overcome, it would provide hope for a successful continuation of the system...

Holland raises rates to 7 1/2%

By Charles Batchelor in Amsterdam

THE Dutch Central Bank is raising bank rates to 7 1/2 per cent, from 7 per cent, effective today...

Swedish bank rate up

BY WILLIAM DULLFORCE IN STOCKHOLM

SWEDEN'S RIKSBANK (central bank) raised its discount rate from 6.5 to 7 per cent yesterday...

with a peak of just over SKr 200 last September. But they have been maintained through substantial foreign borrowing...

Italian industrial unrest mounts

BY RUPERT CORNWELL IN ROME

AS INDUSTRIAL protest mounted throughout Italy, union and management negotiators were struggling last night in Rome to break the deadlock in the wage contract...

issue will be put off until September. In the latter case, Italy faces the threat of a 'hot autumn' involving not only the metalworkers, but also such other key sectors as chemicals and textiles...

ing a cut in the working week to 36 or 38 hours, from the present 40 hours, private-sector employers are prepared to go no further than five extra days holiday a year...

Bonn plans cut in borrowing

By Jonathan Carr in Bonn

WEST GERMANY'S Cabinet has approved a draft budget for 1980 involving a sizeable cut in the Federal Government's borrowing requirements...

The Government expects its net credit intake next year to be DM 28.2bn (€8.9bn) compared with DM 31.2bn this year. Last year, in its medium-term finance plan, the Government expected its 1980 credit requirement to be DM 33.5bn...

German employer-union 'summit'

BY GUY HAWTIN IN FRANKFURT

WEST GERMAN employers and trade union leaders are working on the agenda of a 'summit meeting'—the first between top men from both sides of industry in three-and-a-half years...

On the one side is the Federal Association of German Employers' Associations, and on the other, the German Trade Union Federation. There have been no formal talks since the 1978 break-up of the 'concerted action' programme...

have ruled out a revival of the 'concerted action' programme. Nothing is envisaged beyond direct talks between trade unionists and employers. The federation said it had been agreed to hold talks, but the agenda had still to be worked out...

According to the employers—who say talks are likely to start on July 20—the agenda will include thorny subjects such as the employment situation, growth prospects, and general economic policy. It seems that workers' participation may also be discussed...

abrasive factor in West German labour relations for many years. The 'concerted action' broke down when the West German Government decided to enact legislation introducing the principle of near-parity of workers' and shareholders' representatives in the boardrooms of the country's larger corporations...

The 1976 Act satisfied neither party. The trade unionists wanted actual parity and wages not satisfied with the Government's legislation which left the shareholders with the chairman's casting vote. The employers were so opposed to the Act that they fought it up to the West German Constitutional Court...

against a challenge by nine big companies and 29 employers' associations. But even before this, most German employers coming within the scope of the legislation had already put its provisions into operation, grudgingly in many cases. Few companies restructured...

Even so, the West German trade unions realise that a force exists to heal the rift. The employers, for their part, also seem anxious to re-establish normal relations.

Greece planning gas pipeline

BY A. H. HERMANN IN ATHENS

NATURAL GAS pipelines to Italy and Bulgaria are being included in a new long-term Greek energy programme aimed at reducing dependence on imported oil.

The pipeline network is forecast to cost \$455m. It will link Greece, via Corfu, with the planned pipeline from Algeria through Italy. A second link north to Bulgaria will tie Greece into the large network connecting the Qreburg natural gas fields in the south Urals with Comsom countries. The natural gas is for domestic and industrial purposes. It will also be used to boost electric power generation at peak times.

These plans are part of a long-term programme prepared over the past two years by an energy committee under the chairmanship of Mr. George Pappas, secretary-general of the Ministry of Co-ordination. At present, 70 per cent of Greece's energy comes from imported oil; the rest is met from local lignite and hydro-electric power. The Government, according to Mr. Pappas, aims to halve oil imports, partly by importing natural gas, partly by large imports of coal, and partly by building a nuclear power station.

this, and of natural gas, are designed to replace the heavy oil used by industry. Industry accounts for half Greece's energy consumption, with the aluminium industry a particularly large consumer. The Government has also decided on some more immediate measures. Industry is to be asked to spend the equivalent of 1 per cent of fixed assets on conservation, and to reduce energy consumption. Petrol prices, already among the highest in the world, are being increased to the equivalent of £1.70 a gallon. Weekend motoring will be restricted, and the duty on cars—all of which are imported—is being doubled.

Stockholm switch to coal urged

BY WILLIAM DULLFORCE IN STOCKHOLM

SWEDEN'S National Industrial Board is seeking Government permission to negotiate a switch from oil to coal as the main fuel source for heating in the Greater Stockholm district. The programme would call for an annual import of 3m tonnes of coal for the capital by 1990. Australia, Poland and Canada are named as possible suppliers.

At present, 84 per cent of Greater Stockholm's heating is fuelled by oil and only 14 per cent by coal. The board proposes a SKr 6bn (£850m) plan to enlarge the network and to change the proportions to 71 per cent coal and 25 per cent oil, with the rest derived from refuse-burning plants.

The Board has rejected natural gas imports, solar energy, peat and wood as realistic alternatives in the medium term. It says that the best solution to Greater Stockholm's heating problems would be to pipe hot water from the nuclear power plants at Forsmark, north of the capital.

But a national referendum on nuclear power is being held next spring and could bring a halt to the nuclear power programme. The Board also finds that it would be impossible to realise the nuclear heating plan before the 1990s.

Portugal's right wing signs pact

BY JIMMY BURNS IN LISBON

PORTUGAL'S unresolved Government crisis was further complicated yesterday by the signing of a general co-operation agreement between the three main right-wing parties. Dr. Francisco de Carneiro, Prof. Diogo Freitas do Amaral and Dr. Goncalo Ribeiro Telles, leaders of the Social Democrat Party (PSD), the Christian Democrat Party (CDS) and the small Popular Monarchist Party (PPM), have agreed to step up their campaign for an early election this autumn and for a revision of Portugal's socialist constitution.

The agreement, which refers to the 'urgent national need for a new democratic power', predicts a substantial swing at the next election, and commits the three parties to a future right-wing coalition Government. The last general election, held in 1976, was won by the Socialists, with 34 per cent of the vote. The full implications of the agreement, however, will not be known for a few days.

President Antonio Ramalho Eanes has again put off a decision on whether to dissolve Parliament or back a new Government. A presidential spokesman said yesterday that Gen. Eanes had postponed his expected address to the nation this week, and would probably be seeking more talks with political leaders. Both the Socialist Party and a group of independent Social Democrats who broke away from Dr. Sa Carneiro's party have so far opposed an early election since, by the terms of the constitution, the next general election would not have to take place until 1980. They have hinted strongly that they would be prepared to form a government, a solution which has the tacit backing of the Communist Party.

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European steel to cost more

By Guy de Jonquieres, Common Market Correspondent in Brussels

THE EUROPEAN Commission said yesterday that it expected to put into effect in early autumn 'small increases in the prices of selected steel products covered by the EEC's anti-crisis plan for the industry. It is thought in the industry that they will extend to merchant bars, beams and, possibly, reinforcing bars, for which demand has been reasonably brisk recently.

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JPY 1101/50

Stir after top Basque steel man vanishes

BY ROBERT GRAHAM IN MADRID

A PROMINENT Basque country businessman, Sr. Luis Oiarra, has caused a stir by putting his special steel company into temporary receivership...

the plight of Sr. Oiarra's special steel group, which has two plants in the Bilbao region employing 2,000 workers. Oiarra S.A. has been held up since the early 1970s...

Dutch unlikely to expand activities in Post bank

BY CHARLES BAYCHELDON IN AMSTERDAM

THE PRESENT Dutch Government appears set to restrict the activities of the new Post bank which is now being formed from a merger of the Post Office savings bank and Post Office cheque and giro service...

Clearer role urged for Bank of Italy

BY PAUL BETTS IN ROME

FORCEFUL CALLS for greater clarity and rationality in Italy's banking legislation were made yesterday during the annual meeting of Assobancaria, the Italian banking association. Making explicit reference to the controversial Bank of Italy affair...

David Satter reports on Neryungi, where the development of Eastern Siberia is beginning

Digging for growth in East Siberia

EARLY IN spring, a slow procession of empty trucks pulled up to the side of an exposed coal seam in eastern Siberia. A giant excavator, its iron scoop spilling coal dust, loaded them with the first yields of the Neryungi open cast coal mine.

year by 1982. A fully operational coal pit and concentration plant for processing coking coal is to be completed in 1983. By that time Neryungi is expected to have a population of 50,000, eventually rising to 100,000.

mine. Besides they are of interest to Japan. An estimated 300m tonnes of the Neryungi coal is coking coal and under the terms of a joint co-operation agreement with Japan signed in 1974, the Soviets received a \$450m credit

The possibility exists of Soviet, Japanese and American agreement on the potentially more important South Yakutia gas project, which would probably cost \$10bn. That project would involve the use of U.S. and Japanese

what a few years ago was an empty tract of wilderness. This remote area has 6bn tonnes of iron ore in an area 60 miles north of the Neryungi coal pit. Soviet planners hope that this iron ore with Neryungi coal will become the basis for a giant metallurgical complex to rival anything in the western Soviet Union.

The Soviets have an almost inexhaustible supply of coal to draw on once the Neryungi pits are exhausted. They believe that South Yakutia's total coal reserves amount to 30bn to 40bn tonnes. But the problems which the Soviets have encountered at Neryungi indicate some of the difficulties they can expect as they embark on the exploitation of raw material deposits which are not as concentrated as at Neryungi and even more remote—particularly if no Japanese or western technical co-operation should be forthcoming.



Exploitation of the Neryungi coal deposits is therefore the beginning of eastern Siberian development. Since its founding in 1975, Neryungi has acquired a population of 18,000. It has three- and four-storey wooden housing, washing banging out to dry, bumpy gravel roads, and forest paths already awash with coal dust.

The project would not have been as far along as it is, but for the fact that the coal deposits are soft and easy to

buy construction equipment to develop the deposits and promised to deliver 100m tonnes of coking coal to Japan over 20 years from 1979. Deliveries from Neryungi will form the bulk of these coal deliveries, rising from a 3.5m tonne contribution in 1983.

technology to exploit gas deposits which, the Soviets believe, may amount to 13 trillion (million million) cubic meters. A pipeline is planned, and the setting up of gas liquefaction plants on the Pacific coast with repayment to the U.S. and Japan in gas shipments at a rate of 10bn cubic meters a year for 25 years.

The Soviet Ministry of the Coal Industry in 1974 estimated the cost of the Neryungi project at 586m roubles, including 700m roubles for construction. This figure was to cover the development of the deposits and infrastructure for a town of 70,000 (excluding the power station). The institute grossly under-estimated the number of workers required and assumed that 80 per cent of the workers would be single and only 20 per cent married. In fact, 80 per cent are married.

The town itself, a collection of wooden houses along narrow lanes with white smoke curling up from the chimneys in the cold morning haze, sits on a confirmed gas reservoir of 200bn cubic metres.

The under-estimation of manpower needs has left Neryungi with a current shortage of 8,000 workers and the erroneous assumption about the share of married workers has meant that Neryungi must provide schools, homes and shops not for 10,000 but closer to 16,000 people.

Gas prospecting is continuing along the Vilyuy river and its major tributaries as the Soviets push to confirm the needed 1 trillion cubic metres of gas which they expect to reach by the end of next year. But there is no sign that they have any plans to go on to the exploitation stage without assured Japanese and American assistance.



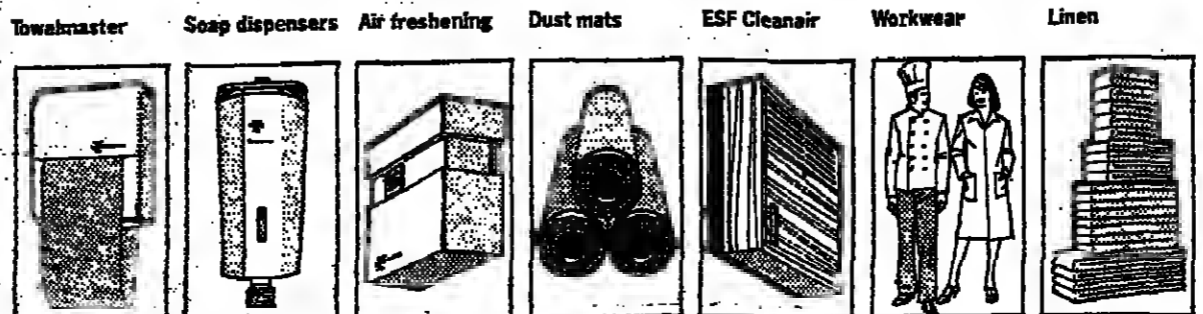
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WORLD TRADE NEWS

Australia in U.S. deal on uranium

By Our Sydney Correspondent

THE U.S. and Australia yesterday signed a bi-lateral nuclear safeguards agreement...

Third World continues to boycott GATT signature

By BRIJ KHINDARIA IN GENEVA

THIRD WORLD countries appear determined not to sign the final document signifying agreement to the results of the Tokyo Round trade negotiations...

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Jump in overseas earnings from films

By Colleen Toomey

SCREEN AND Television films made a dramatic comeback in overseas earnings for Britain last year with a rise of £20m to £14m.

Stone-Platt in S. Korean textile machinery venture

By RICHARD LAMBERT

STONE-PLATT is to establish a major joint venture in South Korea to preserve its position in an important and rapidly growing market for textile machinery.

Platt's machinery sales in Korea—excluding those of the Scragg division, which makes draw texturing machinery for synthetic fibres—have been running at around £10m a year recently.

markets during the period, and by the mid-1980s it could be that around a fifth of the new company's output will be exported.

Japan seeks new Saudi oil deal

TOKYO — The Japanese Government, concerned about possible cuts in crude oil sales by international suppliers, will try to buy oil from Saudi Arabia on a direct government-to-government basis.

Emirates. The Japanese officials said, will call on Saudi Arabia to ship 94m barrels of crude oil every year in direct Government deals for ten years, starting in 1981.

through the oil majors. The Saudi Government has no Government-to-Government contracts with Western industrialised countries, according to officials, and they said such a move would invite criticism from primary oil importing countries.



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Saudi causeway progress

BY OUR OWN CORRESPONDENT

EIGHTEEN consortia have won the approval of the joint technical committee for the Saudi Arabia-Bahrain causeway project, but names will not be released until the committee's judgment has been ratified by the two Governments.

building order, Robert Gibbons writes from Montreal. The order would be for 29 bulk-carrier vessels, ranging from 3,000 tons to 25,000 tons.

Italy tube car deal

Breda Ferroviario has won an order against international competition to build 94 underground railway cars for the Washington DC Metropolitan Area Transit Authority, AP-DJ reports from Rome. The contract is valued at \$77m (£35m). The company won a similar order in February 1978 from the city of Cleveland.

Ivory Coast TV

A co-operation agreement under which French contractors will set up a colour-TV and radio network covering all of the Ivory Coast has been signed in Paris, AP-DJ reports from Paris. Societe Telediffusion will act as engineering consultants and the equipment will be supplied by Thomson-CSF, the electronic arm of the Thomson-Brandt group.

Tunis receives loan

The World Bank and its affiliate, the International Development Association, have approved \$33.5m (£37.5m) loan to five countries, AP-DJ reports from Washington. A \$28.5m World Bank loan to Tunisia will help finance new port facilities, and a \$25m IDA loan for Bangladesh will be used to fund fertilizer imports. Other recipients will be Togo, Tanzania and Cyprus.

GEC order

GEC traction has received an order for electric propulsion equipment for a total of 200 power cars and 100 tractors for Victorian Railways. The vehicles will be made up into six-car trains and will operate on the 1500V dc suburban network around Melbourne. The traction motors are from the current GEC range of rapid transit motors of which some 1,500 are on order from Hong Kong, alone, and with others for several sectors of British Rail, the total order book is close to 4,000 machines.

Smiths in U.S. deal

Smiths Industries has announced that McDonnell Douglas of the U.S. has awarded it a contract for the development of the head-up display for the AV8B advanced V/STOL aircraft for the U.S. Marine Corps. Smith Industries has already developed and produced head-up display and weapon aiming systems for major military aircraft projects including the AV8A Harrier, Sea Harrier.

Canada ship talks

Canadian Government and shipbuilding officials have held preliminary talks with representatives of the Polish shipping industry in the hope of obtaining a C\$300m (£150m) shipbuilding order.

Canada customs changes

BY VICTOR MACKIE IN OTTAWA

THE CANADIAN Government's Revenue Department is proposing to save millions of dollars by eliminating customs forms by washing the red tape that entangles Government officials and import-export businesses.

meets a year by allowing commercial shipments valued at less than \$500 to enter Canada without entering the country's customs system. Under a new system, all imports and exports will be processed as if they were small shipments imported only once a year, and will be treated as a single import entry for customs purposes.



Heathrow Gatwick Stansted Glasgow Edinburgh Prestwick Aberdeen

هكمان الأهرل

UK NEWS

CBI plea to save aid to regions

BY JOHN ELLIOTT, INDUSTRIAL EDITOR

THE CONFEDERATION of British Industry has appealed to the Government...

announcement about regional aid and other forms of industrial aid this month.

The Government is believed to be considering raising the bottom limits for projects qualifying for aid...

Esso and ICI in naphtha wrangle

By Sue Cameron, Chemicals Correspondent

ESSEX CHEMICAL Industries and Esso are having an unprecedented public quarrel over supplies of naphtha...

Merchant navy loses more UK sea trade

BY IAN HARGREAVES, SHIPPING CORRESPONDENT

BRITAIN'S DECLINING merchant navy last year lost more of its share of the country's seaborne trade.

Some of this lost capacity has been replaced by foreign flag vessels chartered by British owners.

The largest gain was made by Greek flag ships, whose share by weight rose from 5.2 to 7.6 per cent.

Warning over guesses in accounts

BY MICHAEL LAFFERTY

ACCOUNTANTS, under increasing pressure for forecasts, are beginning to build "future guesses" into accounts...

Peter Jay takes post on Economist

By Peter Riddell

MR. PETER JAY, the former British Ambassador in Washington, is to become a special consultant in the U.S. to the Economist Intelligence Unit...

May boost for housing

BY MICHAEL CASSELL

NEW HOUSING construction in May reached its highest point for six months, the Department of the Environment said yesterday.

The volume of completions in the latest three-month period under review was running 7 per cent lower than in the preceding three months...

NCB borrowing limit up £400m

BY JOHN LLOYD

MR. DAVID HOWELL, Energy Secretary, has laid draft orders in Parliament to increase the National Coal Board's borrowing limit by £400m...

Continued losses 'could close port of Bristol'

BY IAN HARGREAVES, SHIPPING CORRESPONDENT

THE PORT of Bristol, which 15 months ago opened a new dock, could be forced to close if losses continue at the current rate.

He blamed poor industrial relations for some of the port's problems, but the authority's annual report says the road haulage strike also had a serious effect.

It is estimated that an additional £100,000 will be earned annually after deduction of the interest applicable to the purchase.

Norfolk Capital pays £1m for hotel complex

By Michael Cassell

NORFOLK Capital Group is to buy the 360-room Northwick Castle Hotel in Blackpool, one of the largest hotel, conference and exhibition complexes in the UK.

Nuclear submarine by Vickers

VICKERS SHIPBUILDING OF Barrow-in-Furness is to build the Royal Navy's 15th nuclear submarine...

The submarine will be the third of the Trafalgar class. These vessels are designed for long endurance and high speed.

Impressionists fetch £8.3m at Sotheby's

SOTHEBY'S FINISHED its latest sales of Impressionist and modern drawings and watercolours in London yesterday...

The highest price was £33,000 for a pencil drawing of an old man with an umbrella by Van Gogh.

Sotheby's sold the J. E. Findlay collection of books on conjuring and allied arts for £23,445, with every lot sold.

Bonhams described the market for European oil paintings as "very buoyant" when reporting a total of £104,800 for its sale.

American gains lease in former workers' co-op

By Our Industrial Editor

A FRESH STAGE in the saga of the former Kirkby Manufacturing and Engineering workers' co-operative was reached yesterday when a U.S. businessman bought some of the co-op's machinery...

WIMBLEDON Borg crushes Connors once more

BY JOHN BARRETT

PLAYING superhuman tennis, Bjorn Borg annihilated Jimmy Connors 6-2, 6-3, 6-2 in the Wimbledon semi-final yesterday.

The match was an almost exact repeat of last year's one-sided final, when the champion permitted his opponent exactly the same number of games.

Connors played bravely and well but he could achieve nothing against Borg's phenomenal skills.

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SALEROOM

BY PAMELA JUDGE

master and modern prints. Light, U.S. and a private English buyer were the highest bidders.

English and Continental furniture under the hammer in the same rooms brought £67,150.

George III breakfast secretaire library bookcase in mahogany was the highest-priced lot at £11,000.

This was Borg's 27th consecutive winning match at Wimbledon and Connors' third consecutive beating by the Swede.

EEC sets terms for British Steel plans

BY ROY HODSON

A CAPITAL reconstruction of the British Steel Corporation with some or all of its £767m long-term debt to the Government written off, would be welcomed by the European Commission. This was made clear yesterday by Viscount Etienne Davignon, the EEC Industry Commissioner.

Such a move was considered, and then shelved, for more than a year at the time of the 1978 steel crisis, when the Corporation's losses touched £1.5m a day. It is being given further consideration, and may come next year.

Speaking at the National Union of Blacksmiths' conference in Torquay in the presence of Sir Charles Villiers, BSC chairman, Viscount Davignon spoke of the conditions on such a write-off of debts.

"These were that it should be limited in time and extent so that it would not become an open-ended form of subsidy. It should be applied in conjunction with reduction by British Steel of its excess steel-making capacity, so that the industry would not continue to grow more than it could utilize."

A capital reconstruction should be carried out openly. "It must be transparent, so that everyone knows what is being done."

Subsidies to industry, such as

relief from old debt burden, should not be outlawed by the Council of Ministers so long as such relief helped bring about industrial change.

The present indications are that the Government would be prepared to allow a capital reconstruction with the object of creating a British Steels annual interest bill of around £200m by at least half.

The fixed assets of the corporation are being revalued to prepare the ground for some of the debt to be written off. British Steel takes the view that it has more steel-making plant than it can ever reasonably expect to utilize.

Its long-term borrowing costs £767m from the Government and £779m in foreign loans.

This year the Corporation is paying £102m interest to the Government on long-term loans, £96m interest on long-term foreign loans, and £2m on other long-term loans. Its interest on short-term borrowings this year will be about £17m.

Viscount Davignon intends to develop the next stage of his plan for reconstruction of European steel by asking the European Commission to set parameters for maximum and minimum levels of steelmaking in all member countries of the Community.

But national steel industries



VISCOMTE ETIENNE D'AVIGNON, EEC Commissioner for Industrial Affairs

will be expected to arrange their own programmes for steelworks closures to meet the levels set by Brussels.

A committee of Eurofer, the European steelmakers' organisation, is working to produce an agreed closures programme.

Russian card imports 'hitting UK makers'

BY MAURICE SAMUELSON

BRITISH Christmas card manufacturers, whose profits are being cut by imports from the Soviet Union, claimed yesterday that this year's Soviet selection, now on sale through wholesalers, contains no imprint stating the country of origin. They added that Soviet-printed birthday cards are likely to be introduced here later this year.

British makers of cheaper Christmas cards took issue with the claim of Fine Art Develop-

ments, a leading UK card producer, that Soviet imports were "of little consequence."

Castle Publishing of Preston, Lancashire, said its sales this year were down by £60,000. Before Soviet cards appeared last year, sales had been rising by 10 per cent a year. Selective Prints, of Bradford, Yorkshire, said it expected 108m Soviet cards to be imported this year, compared with 36m last year. They would have a big impact

on supermarket sales, estimated at 400m. UK manufacturers could compete in price only by lowering quality.

The controversy, brewing for more than a year, was renewed on Monday. Mr. Robert Atkins, Conservative MP for Preston North, secured a pledge from Mr. Cecil Parkinson, Minister of State for Trade, that his department would investigate the charge that Soviet Christmas cards were being dumped here

Oil pollution threatens Windscale water

FINANCIAL TIMES REPORTER

BRITISH Nuclear Fuels' Windscale plant has had to switch to an alternative water supply after vandals contaminated a West Cumbrian river with 16,000 gallons of diesel oil.

The vandals opened taps on diesel oil storage tanks, owned by the North West Water Authority. The oil drained into the River Keeble which flows into the Ehen, from which the Windscale plant draws general site cooling water.

The alarm was raised in time to prevent oil getting into the plant's pumps, and bombs were dropped into the contaminated water to seal off the pollution.

About 4,000 gallons of diesel oil have already been pumped from the river.

British Nuclear Fuels said it was able to switch to an alternative source of water and that the pollution had not affected water supplies to its reactors, which are served by a separate supply from Wast Water.

It said that the vandalism was not directed against the corporation as the drained diesel storage tanks were many miles away from the plant.

The oil, however, is still a threat to animal life in the River Keeble, one of West Cumbria's best sea trout rivers.

Alderney rejects plan for marina

FINANCIAL TIMES REPORTER

PLANS to build a 400-berth marina and a 200-bed hotel at Braye Bay, Alderney, have been rejected by the island's Parliament.

Opposing the development application by Henry Boot Construction of High Wycombe and Channel Island Granite of Halifax, on the grounds that it was too vast a project for so small an island, and that the states of Alderney had insufficient information before it, Mr. John Winkworth, vice-president, said 400 boats arriving in Alderney would be the equivalent of 11,000 arriving in Guernsey.

He said the building committee threw out the hotel plan last year.

European group launches small business study

FINANCIAL TIMES REPORTER

Impact of taxation on family businesses has been launched by a European Centre-Right political body, the European Medium and Small Business Union.

The research is being undertaken by the Conservative Small Businesses Bureau, represented in EMSU by Mr. David Mitchell, Parliamentary Under-Secretary for Industry.

The study will be based on an economic model of a small engineering components business employing about 50 people, with 10 shareholders, a "typical family business," according to EMSU.

It is the first time a study of family businesses in Europe has been undertaken, and follows an EEC investigation into harmonisation of Value-added Tax. The organisation believes the family business economic model results will play a role in a general move towards harmonising basic taxation throughout the EEC.

The conclusions of the report will be presented at senior Government level in 17 member countries. Sir Geoffrey Howe, Chancellor of the Exchequer, will be asked to study the report well before planning the 1980 Budget begins.

Inquiry rejects claim of IRA cash deal

BY OUR BELFAST CORRESPONDENT

AN INVESTIGATION into spending on public authority housing in Northern Ireland in the mid-1970s has found no evidence to support the allegation that the Government conspired with the Provisional IRA to provide jobs for ex-detainees in an effort to maintain a ceasefire.

However, the investigating commission was satisfied that one public contractor, under pressure, paid an estimated £5,000 to the IRA. There was also uncorroborated evidence suggesting direct payments to the IRA by some of the labour force.

The commission, under Judge Rowland, was appointed last year to look into allegations from MPs and others that large sums of public money had reached IRA bands through the placing of contracts in West Belfast by the Northern Ireland Housing Executive.

Its report, published yesterday, said that £300,000 was by spent on housing rehabilitation. Although some of the money have found its way indirectly into IRA coffers, most of the excess spending arose from the use of an inappropriate contract and inadequate spending controls and low productivity.

It found no truth in the allegation that work was awarded to building companies employing men formerly interned as part of a deal between the Government and the IRA to secure the ceasefire in 1974-75.

Mr. Humphrey Atkins, Ulster Secretary, emphasised that the commission had not found that any money was paid directly from public funds to the Provisionals. The Government took a serious view of the waste of large sums of public money.

Mr. Atkins proposed to ask the executive, which comes under the Northern Ireland Department of the Environment, to review its management controls and the effectiveness of its internal audit.

He wanted a thorough examination of the executive's arrangements where members of its staff had family or personal or business relationships with contractors.

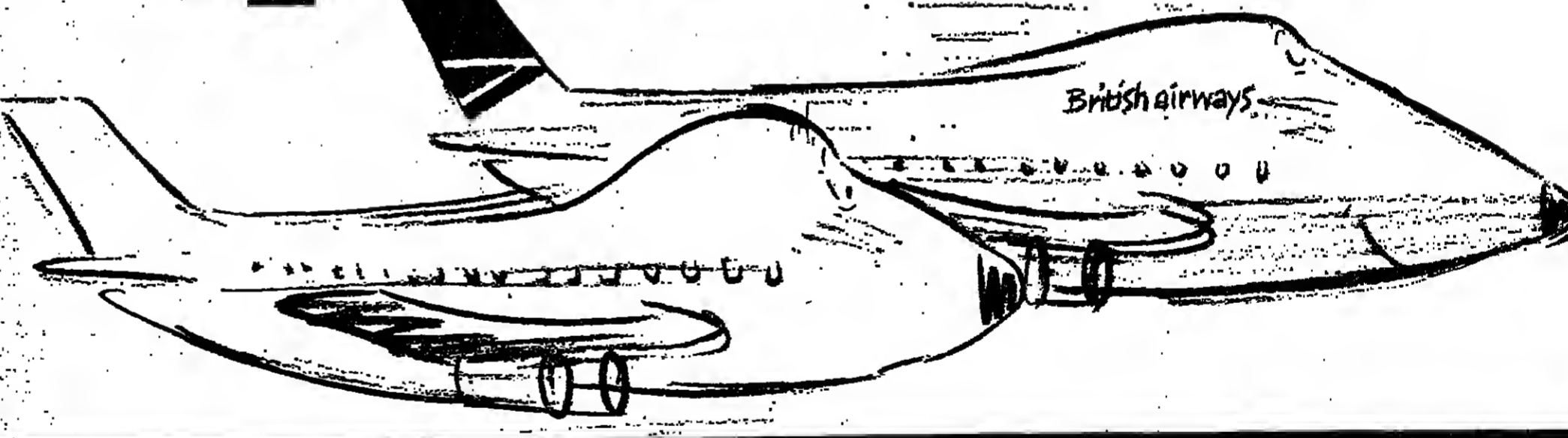
Mr. Philip Goodhart, Northern Ireland Under-Secretary, told the Commons yesterday that control over housing spending in Northern Ireland is to be tightened.

Report of the Investigatory Commission into Northern Ireland Executive Contracts (Stationery Office, £2.50).

Education post

SIR GEORGE SINCLAIR, former Tory MP for Dorset, has been appointed chairman of the Association of Governing Bodies of Public Schools. He succeeds Lord Beilstead, now Under-Secretary of State at the Home Office.

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CONTRACTS

Jet target project for Flight Refuelling

FLIGHT REFUELLING of Wimbomborne, Dorset, has won a contract from the Ministry of Defence to develop a pilotless jet-powered airborne target for gunnery and missile training for the armed forces.

The contract, initially worth about £1.5m, could lead to production orders worth several million pounds. Associated with Flight Refuelling in the venture is Marecon Avionics, which will provide the control system for the craft, and Ames Industrial (part of the French Micro-turbo group) which will supply the small jet engine.

Called the ASAT (Advanced Subsonic Aerial Target), the craft is initially intended for training against low-flying ground-attack aircraft. Flight Refuelling believes that other NATO armed forces may be interested in the craft.

The craft may be developed in the future for other uses such as battlefield surveillance. It might also be the precursor of a UK-developed Cruise Missile.

Flight Refuelling, which has spent many years developing aerial target systems, won the contract in the face of tough competition from British Aerospace and Short Brothers and Harland of Belfast.

The company was founded by the late Sir Alzar Cobham to develop the principle of in-flight refuelling. It has diversified into light engineering, including provision of the nuclear power plants for the defence industry. Its present chairman is Mr. Michael Cobham.

ment of Transport contract to build a viaduct carrying the M25 over the River Wey navigation canal and the London-Woking railway at New Haw, Weybridge, Surrey. Work is expected to start shortly and should be completed in about two years.

FORD AND WESTON has been awarded a contract worth £2.1m to build a community college at Beaumont Leys, Leicester, for Leicestershire County Council. The company has also won a contract to extend St. Edwards School, Cheddleton, at a cost of £263,000, for Staffordshire County Council.

J. Sainsbury has placed a £2m contract with COSTAIN CONSTRUCTION to erect and fit out a supermarket, a two-storey office block and two shop units in Lancaster Road, New Barnet. Work should be completed in October, 1980.

BURROUGHS MACHINES has won a £1.25m order from Lloyds Bank to supply 500 document encoders for installation at branches throughout the country. This follows a joint development project for further automation of cheque-clearing equipment.

Catering and associated facilities worth £750,000 are being installed on the semi-submersible Treasure Finder by OFFSHORE CATERING SERVICES for Shell (UK) Exploration and Production. The vessel will be used as central accommodation for 400 men on Brent Field platform.

COMPUTER MACHINERY COMPANY is supplying a 12-terminal Realty Royale mini-computer/management information system worth £121,000, to ICI's petrochemical division, Wilton, Teesside.

BAIFOUR BEATTY CONSTRUCTION has won a £3.7m Depart-

PUBLIC NOTICES

BUCKINGHAMSHIRE COUNTY COUNCIL BILLS

The Buckinghamshire Council passed the following bills on 25th July 1979. The bills are available for inspection at the Council Offices, 100, High Street, Aylesbury, Bucks. HP8 4JH, from 10.00 a.m. to 5.00 p.m. on 26th, 27th, 28th, 29th and 30th July 1979. There are no other bills outstanding.

UK NEWS — PARLIAMENT and POLITICS

Healey attacks 'madhouse economics'

BY JOHN HUNT, PARLIAMENTARY CORRESPONDENT

THERE IS a high risk that the OPEC countries will decide on a further increase in oil prices when they meet again in three months time, Mr. Denis Healey, shadow Chancellor of the Exchequer, predicted in the Commons last night.

There was a danger, he warned, that the OPEC countries would settle on this as an excuse to put up their prices still further, on the grounds that Western countries appeared able to afford the increase.

Riddell praised

MR. DENIS HEALEY, shadow Chancellor, yesterday paid a compliment to Peter Riddell, the Economics Correspondent of the Financial Times, speaking during the committee stage of the Finance Bill, he commented on Mr. Riddell's ability to know what the Treasury was thinking.

LABOUR Post Office engineers seal rapid 16% deal

BY JOHN LLOYD

THE POST OFFICE has agreed to pay rises with the 126,000 members of the Post Office Engineering Union averaging 16 per cent on basic pay and supplements.

Meanwhile, the postmen are negotiating with the corporation on improvements to productivity, most of which were in a deal rejected by the union and described then by Mr. Tom Jackson, the UPW general secretary, as 'phony'.



THE QUEEN—in ber capacity as Lord of Man—in the Isle of Man for the millennium celebrations of the Tynwald, the Manx Parliament.

Building societies urged to hold mortgage rates

BY IVOR OWEN

BUILDING SOCIETIES were urged to use their reserves rather than raise mortgage interest rates, the Prime Minister, speaking in the Commons yesterday, ruled out direct Government intervention.

Times: NGA 'optimistic'

BY ALAN PIKE, LABOUR CORRESPONDENT

LEADERS of the National Graphical Association agreed yesterday that proposals from Times Newspapers management offered a basis for continued negotiations, which they hope will lead to a resumption of publication of the company's suspended newspapers.

Further talks between the management and unions at company level and on Friday the spirit union general secretary met to seek a common approach to the forthcoming negotiations.

Final touches put on MPs' pay proposals

BY ELINOR GOODMAN, LOBBY STAFF

THE GOVERNMENT was last night finalising details of its revised proposals on MPs' pay in the hope that they would satisfy both the demands of MPs and avoid a serious loss of face for Ministers.

Relaxed exchange controls hint

BY IVOR OWEN

EXPECTATIONS that the Government may soon take steps to authorise a further relaxation of exchange controls were heightened yesterday by comments made by the Prime Minister in the Commons.

Strike threat facing Britain's defences

BY GARETH GRIFFITHS, LABOUR STAFF

BRITAIN'S defence capabilities may be affected by lightning strikes at key installations, the Government has warned in a report for Ministers.

Customs staff cuts 'could aid smugglers'

BY OUR LABOUR STAFF

GOVERNMENT CUTS in the number of Customs and Excise staff this year will lead to greater smuggling and avoidance of value-added tax, according to the Society of Civil and Public Servants.

Parliament business next week

COLEGONS

Monday, Tuesday: Committee stage of Finance Bill. Motion on Customs Duty (Personal Reliefs) Order.

Tories plan union changes this year

BY IVOR OWEN

IT IS STILL the Government's hope that the promised legislation on trade unions will be reported to Parliament before the end of the year.

Moves to stop Chrysler engines strike

A MOVE to avert a damaging strike on Tuesday at the Chrysler engines factory, Coventry, began yesterday when outside "peacekeepers" met senior management.

International arms links discovered

LINKS between the Irish National Liberation Army—the group which claimed responsibility for the death of Airey Neave—and other international guerrilla groups have been discovered, Humphrey Atkins, Northern Ireland Secretary, told the Commons yesterday.

Mr. Atkins said: "I too am sick of this and wish to do anything I can to bring it to an end."

The first of a series of one-day strikes by white collar staff at GKN would begin on Monday, following the breakdown of negotiations, said Mr. Royce Lyons, Association of Scientific, Technical and Managerial Staffs national officer for chemicals.

ICI unions reject 16% offer

THE TUC is starting a campaign today against the Government's Bill to restrict the powers of local education authorities to abolish about 200 remaining grant-maintained schools and change to fully comprehensive secondary education.

سكوايلا

FINANCIAL TIMES SURVEY

Friday July 6 1979

A region with great potential

By Rupert Cornwell

THE CORRECT translation in English is "Venetia". It is an evocative word, conjuring up a vision of an old-world, almost Arcadian place, stretching its land from the waters of the Venetian lagoon across a province encrusted with history, ancient cities and beautiful landscapes. Indeed the Veneto—Italy's most popular tourist region—is all of that, but much, much else besides. If politically it has remained curiously aloof from many of the changes which have swept across the country in recent years, it has none the less grown into Italy's third most important industrial region after Piedmont and Lombardy, and in many respects is a microcosm of what is right and what is wrong with the entire country.

That the whole has never quite achieved the celebrity of many of its individual parts is due to the inevitable confusion between Venetia and Venice (or in Italian between Il Veneto and Venezia). The region indeed broadly covers the inland domains of the Republic of Venice during its heyday, from the Dolomites in the north to the Po in the south, and westwards to the shores of Lake Garda, taking in the chain of historic cities that form its backbone—Padua, Vicenza and Verona; with the spurs of Treviso to the north and Rovigo to the south in the Po delta. This common history (bearing, it should be said, with much resentment by the subject cities through the centuries until Venice was annexed by the Austrians in 1797) is crucial for an understanding of the Veneto's politics. Yet today the roles are largely reversed. Set against the growth and bustle of the mainland, Venice, the region's capital, has become something of an unrepresentative appendage. Its problems and prospects are examined

elsewhere in this survey. Perhaps the city's greatest legacy is the sense of international importance that it imparted to the region, which the Veneto is now trying to regain.

Stronghold

In political terms the most important point about the Veneto, with its 4.1m population, is that it is a stronghold of the Christian Democrats. The ruling party controls the region with 31 of the 66 seats on the council, and in the general election of last month won an absolute majority there with 50.1 per cent of the vote cast. In the European poll a week later this share fell only slightly, to 49.1 per cent.

In fact the Veneto is the easterly extension of Italy's "White Belt", where the Christian Democrats now hold sway, starting just east of Milan and extending to Bergamo and Brescia. This dominance is at first glance odd when one reflects how the region merges imperceptibly across the fertile Po plain into Emilia Romagna, heartland of the country's Communist-controlled "Red Belt". The explanation is to be found, as usual in Italy, in the past.

Unlike Emilia, the Veneto did not fall under the temporal rule of the Papacy. The Venetian Republic pursued a vigorously independent policy, and the Inquisition for example never operated there. Yet the region was always deeply Catholic. To the Church it has given

numerous saints, as well as the two of the last four Popes who were previously patriarchs of Venice—Pope John XXIII and Pope John Paul I, who occupied the throne of St. Peter's for just one month last autumn before his death.

But the combination of a profound Catholicism and a historically weak Communist Party (in the general election the PCI took just 21.8 per cent of the vote) probably also explains why the Veneto is becoming representative of one all-too-common facet of Italian life—terrorism and violence.

Many experts believe that it is precisely the failure of the Church to adjust to contemporary industrial society, coupled with the absence of a strong orthodox political Left to provide an outlet for youthful discontent, which lies behind the growth, in the Veneto particularly, of the so-called "autonomous" far-Left movement. It has taken root especially at the ancient University of Padua, the region's intellectual as well as commercial centre, and provides a common thread through any number of bombings and terrorist incidents in the Veneto over the past 12 months.

Matters came to a head in April, with the arrest of leading autonomists, including the movement's chief theoretician, Professor Tony Negri, of the University's Political Science faculty. Police now believe that close ties exist between the autonomists and the Red Brigades, and that the former



Although the timeless charm of Venice is undoubtedly the magnet of the record-breaking tourist industry in the Veneto, other areas of the region are seeing important new developments, particularly in industry

may even have been largely responsible for the kidnap and murder of Sig. Aldo Moro, the former Prime Minister, in May 1978.

This, though, is perhaps a digression. Unquestionably the Church is one factor behind the

continuous success of the Christian Democrats. Another is the structure of the Veneto economy. Until fairly recently the region's wealth lay primarily in its agriculture, and even today to a great extent still does—a factor which helps ensure

is one achieved without the upheavals and mass migration which marked similar developments in Lombardy and Piedmont, and particularly in Turin. The cities of the Veneto are medium-sized. Old Venice has little more than 120,000 inhabitants, and Verona, Padua and the modern mainland extension of Venice around 250,000 apiece.

Consequently there has been little reason for a strong Left-inclined urban proletariat to emerge. Industry, moreover, has tended to develop in that pattern of small and medium-sized enterprises which clearly best dovetails into the national temperament. They also provide a framework flexible, varied and resilient enough to protect against economic vicissitudes and take swift advantage of opportunity. The lesson applies to the Veneto in particular, but also to Italy as a whole.

The upshot is that, whether by accident or by design, the region possesses a well-integrated and balanced economy, spread over agriculture, industry and tourism. Each has its difficulties, of which more in a moment, and certainly much needs to be done to improve the infrastructure, particularly in the field of transport and communication. But today the Veneto is in the forefront of Italy's economic upturn.

The figures speak eloquently enough. The Veneto ranks third among the country's industrial regions, with activities ranging from the

petro-chemicals of Marghera and the Port of Venice to the small engineering concerns around Padua, the jewellery and textiles of Vicenza and so on. The region's output rose by an estimated three per cent in 1978 to L15,500bn (£8,85bn). It now ranks fifth among the regions as a contributor to the country's Gross National Product.

It hardly needs to be added, however, that uninterrupted rule by the Christian Democrats can have its disadvantages, even though the region has produced enough powerful national party figures—Sig. Mariano Rumor, the former Prime Minister and Sig. Antonio Bisaglia, the current State Shareholdings Minister, to name but two—to see that its interests are not neglected.

The most commonly voiced complaint is of complacency—that without the stimulus of an active opposition the Party has let things drift; that in industry it has failed to provide a cohesive plan for the Veneto's development; that in agriculture it has failed to fight hard enough at community level to protect the region's interests; and that in tourism not enough is being done to exploit the attractions of the Veneto, especially in off-peak periods.

Difficulties

Leading local Christian Democrats like Sig. Angelo Tomelleri argue that plans there are, but ones which are at the mercy of Rome and its dilatory politicians, whose stock is no higher in the Veneto than in the other prosperous regions of northern Italy. Most of the difficulties involve transport, whether by road, rail or water.

First, pressure is growing for a Leoben (£35m) scheme to expand the waterways of the Po Valley to create new links inland with Lombardy and northwards towards Switzerland via Lake Maggiore. There are also plans, perhaps somewhat ambitious, for an eastern arm in the direction of Yugoslavia.

The international inclinations of the region are plain again in the argument over the need to strengthen the Veneto's rail connections northwards by building a new tunnel to improve the flow of traffic through the Brenner Pass. Whether 60km long (as the Germans would wish) or 23km as the Italians suggest, the tunnel would give an important boost to trade with the North European industrial heartland.

CONTINUED ON NEXT PAGE

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THE WINES OF THE VENETO (controlled denominations)



of Monte Grappa and the Upper Plain of the Seven Municipalities of Asiago, with the territories of Breganze and the other twelve Municipalities.

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The production area is distributed over the hilly zone, South-West of Vicenza, and Gambellara is its epicentre.

GAMBELLARA
There is also the SUPERIOR variety RECOTO DI GAMBELLARA
There is also the SPARKLING variety VIN SANTO DI GAMBELLARA

COLLI BERICI (The "Berico" Hills)
The production area consists of the group of hills of the same name of a volcanic origin, rising high up, like an orographic island, over the fertile plain of Vicenza, South of the city of Feltre.

COLLI BERICI
1) GARGANEGA or GARGANEGO
2) WHITE TOCAI
3) SAUVIGNON
4) WHITE PINOT
5) MERLOT
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7) CABERNET
There is also the "RISERVA" type

PROVINCES OF VENICE AND TREVISO

ZONE OF THE PIAVE
These are wines produced in the vast area, on the banks of the river Piave which stretches from the Montebelluna and Conegliano hills almost down to the sea. It consists of numerous municipalities in the Provinces of Treviso and Venice.

WINES FROM THE PIAVE or PIAVE
1) CABERNET
There is also the "RISERVA" type
2) MERLOT
There is also the "VECCIO" (Old) type
3) TOCAI
4) VERDUZZO
CABERNET DI PRAMAGGIORE
There is also the "RISERVA" type
MERLOT DI PRAMAGGIORE
There is also the "RISERVA" type
TOCAI DI LISON
This is also the "CLASSIC" type

PROVINCE OF TREVISO

PROSECCO FROM CONEGLIANO-VALDOBBIADENE
Also well-known under the names of PROSECCO DI CONEGLIANO and PROSECCO DI VALDOBBIADENE. This wine has been produced since ancient times. Grapes and vines create numerous holiday-making resorts for festivals, festivities, of the "Mare" revivals, which include stretches from Conegliano towards the west, right up to Valdobbiadene and both in the chief production centres is, not in the small villages, especially at the time of the grape-harvest.

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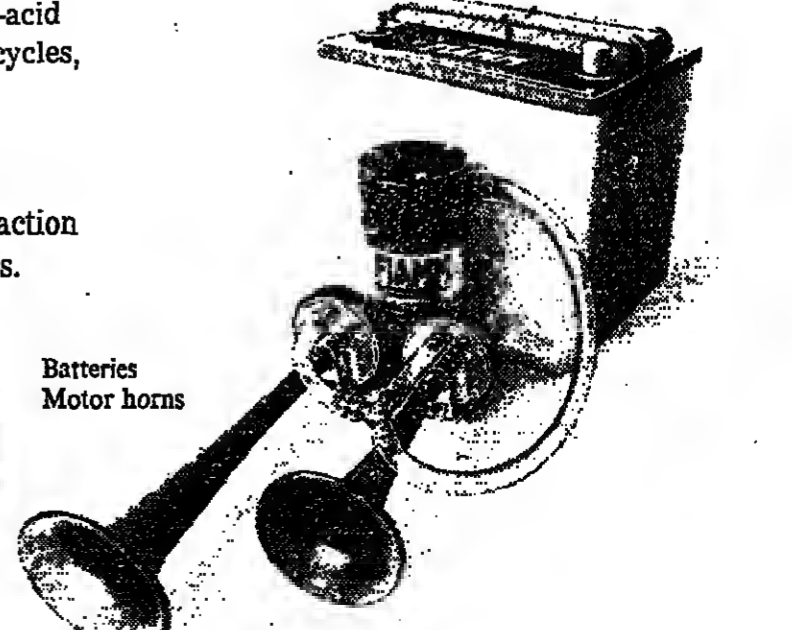
Founded in 1941, FIAMM today commands three large plants that operate in close conjunction, but each developing its own specialised activity and managing independently the factory, operation plans, experimentation and research.

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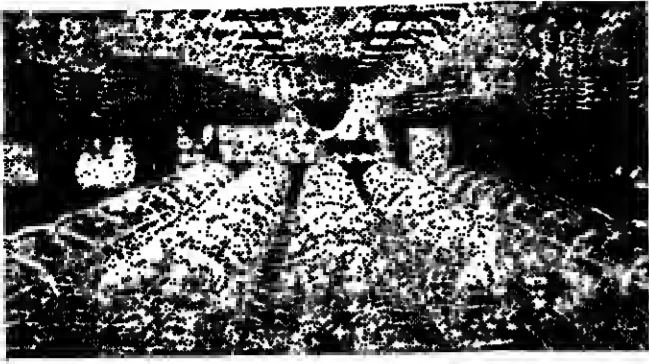
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IL VENETO II

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IN MANY WAYS the Veneto is an extraordinary case of its own. Of all the regions of Italy, it is perhaps the only one which has effectively shrugged off so far the economic recession of the past few years.

The main characteristic of the region's industrial structure is its peculiarly varied range of manufacturing, low capital intensive industries. These include, among others, textiles, plastics, machine tools and other engineering industries, agricultural machinery and products, some electronics and components, shoes, leather, furniture and an assortment of workshop industries.

Industry

There is no single city on which the regions industrial activities are entirely focused. Like, for example, Milan in Lombardy or Turin in Piedmont, instead, all the main cities— from Vicenza to Verona, from Padova to Rovigo—are roughly of equal size and of equal, if differing importance.

There is an intense activity of trade fairs, and local industries are attempting to set up export-orientated consortiums to pool their resources and energies. They have clearly been helped by the region's geographic position, and there are now also plans to increase and restructure the commercial port of Venice through a five-year 158m development programme.

Perhaps, as the former Treasury Minister Senator Marco Ferrarini suggests, the key to the Veneto's success is the fact that the region escaped one of the dominating characteristics of Italy's post-war economic development. Italians call it "saganismo"— a broad policy of large scale industrialisation and economic modernisation that are today at the root of the crisis of the Italian state and parastatal sector.



The only case of this sort of development is the industrial zone of Porto Marghera and the dormitory town of Mestre in the Venetian lagoon.

Porto Marghera keeps together an intense concentration of petrochemical industries, shipbuilding, refineries and steel. It is an eyesore not only for the Serenissima, but in the region's industrial landscape.

Indeed, in 1973-4 there was effectively a drop in the growth of these industries, of some 10 per cent in the country at large and of as much as 12 per cent in the Veneto. But the Veneto pulled out of the crisis surprisingly quickly by investing in new technologies and systems to adapt itself to the new situation.

Investment

In the last five years, the annual rate in real terms of investment of small and medium industries has been of 4.6 per cent compared with a national average of 3.3 per cent and, significantly, of only 2.9 per cent in the entire industrial north of the country.

In turn, with the recession of the domestic market, the Veneto has increasingly turned towards exports. Sig. Pilade Rielo, the new president of the Veneto Industrialist Federation (and a leading manufacturer of boilers) claims that the Veneto has been "condemned" to export.

Today, of the region's overall industrial turnover, exports account for as much as 35 per cent while the other regions of Italy absorb some 50 per cent of the Veneto's output.

Although European community countries still represent the Veneto's principal export market, the region has increasingly turned to the Middle East and the Far East which have now overtaken North America in terms of export volumes.

The Veneto has devised a whole series of structures to boost export performance. The failure so far of the central authorities to introduce a long awaited medium-term recovery plan, designed essentially to reduce Italy's ever expanding public sector borrowing requirement and contain the steady increase in labour costs, is bound to exacerbate the situation in the long run.

Already, the Veneto's export competitiveness is beginning to be undermined. In the past few years, it was substantially helped by the favourable course of the lira and the decline of the dollar, but Italy is now in the European Monetary System and the currency bound to a tighter discipline without a similar discipline on the basic distortions of the country's economic structure like the enlarged public sector deficit.

Inflation is once again accelerating and is already running at a level of nearly 15 per cent, or three points above this year's official target.

All this is bound to rub off eventually even on a region like Veneto. Local industrialists claim profitability is dropping and there is an increasing militancy in the union rank and file prompted in part by the disappointment of the Communist Party's recent electoral setback.

Against this background, the Veneto region is attempting to boost public intervention in an economy which has traditionally shunned the public hand. The main policy is to provide a backing for all those sectors that typically constitute the region's economy.

In particular, the region is promoting the constitution of financial consortiums to meet the growing financial need of small and medium-sized industries that have traditionally tried to avoid turning to the banks and incurring themselves. These consortiums—the so-called "cassa"—advance loans at rates below prime subsidised by the region. To promote the growth of the artisan sector which employs as many as 300,000 people, the region has also introduced special courses. The motivation is not purely economic. It is largely social and cultural.

After all, there are apparently only two artisans left in Venice who still repair and build gondolas. The tradition, the regional administration says, must be preserved. Venice without gondolas would be rather like Scotland without whisky.

The latest round of price increases imposed by OPEC will mean that Italy's overall oil import bill will rise by around Lire 3,000bn (£1.67bn) this year compared with 1978, according to preliminary estimates within the industry here.

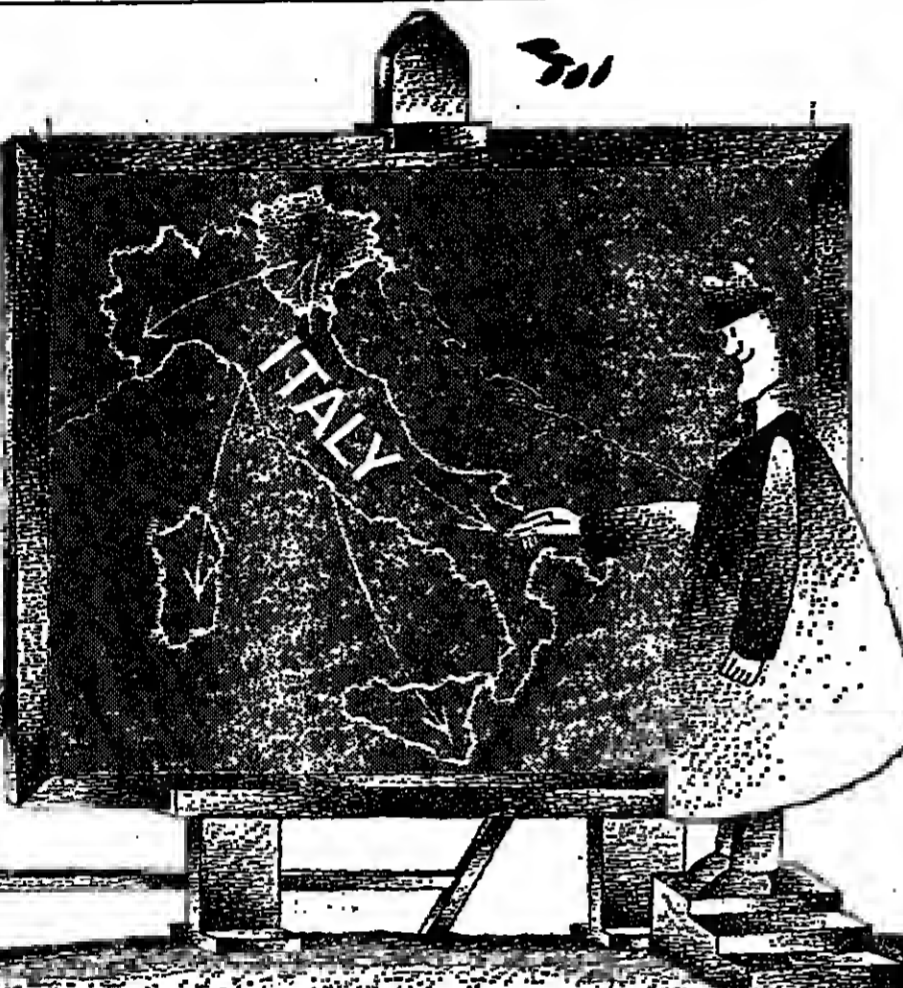
Price rises introduced by Italy's oil suppliers earlier this year had already added 16.5 per cent to the average cost of imported crude. The latest increase agreed in Geneva will push this up by a further 38 per cent or so, it is forecast.

This means that the country's total energy import bill will rise to Lire 11,300bn (£5.25bn) from 1978's Lire 8,350bn. Experts further predict that the increase will push up the cost of finished goods by some 2 per cent, assuming the rise is fully passed on, given that energy accounts for 10 or 15 per cent of overall production costs.

Implicit in this trend is a worsening of Italy's foreign trade accounts. Hitherto the country has managed to sustain reasonably well the encouraging developments of 1978, when for the first time in over 30 years, trade was more or less in balance.

However, these predictions are based on the assumption that oil consumption does not drop in response to the sharp new price increases, either voluntarily or through further Government measures. They also presuppose an unchanged lira-dollar exchange rate but in recent days the lira has begun to strengthen against the U.S. currency. If this continues, the impact of the higher dollar price may be softened.

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Potential

CONTINUED FROM PREVIOUS PAGE

Regional authorities are also deeply resentful of the delays over the construction of an autoroute linking Venice with Munich. In part this reflects incomprehensible foot-dragging by Rome, in part ambiguities on the Austrian side.

But each of these projects, and the intended development of the Port of Venice, testify to the region's desire to exchange its somewhat peripheral status in Italy for its alliance of regions, each on the edge of their own nations, it is significant. The move, it is hoped, will lead to a more co-ordinated approach to problems of common interest—tourism, port development, communications and so on. The alternative, as Sig. Tomelleri underlines, is duplication, inefficiency and argument.

As always, the proof of the pudding is in the eating. But in any case, Alpe-Adria offers the interesting prospect of a close association between regions from EEC, regions from a neutral country, and regions from a non-aligned country. As for the Veneto, it is presented with a chance to recapture something of its past, when intellectually, commercially and diplomatically its field of influence extended far beyond its own territory.

Community

Against this background it is easy to understand why the Veneto was one of the most enthusiastic founder members of a new seven-region transnational grouping, dubbed Alpe-Adria, which took formal shape at a ceremony in Venice last November. It comprises what has been called a "working community" made up of two regions from Italy, the Veneto and Friuli-Venezia Giulia to the east, two from

Acqua Minerale San Benedetto

S.p.A. Company With Headquarters at Scorzè Viale Kennedy, 65 (Venice) was founded on April 10, 1956 with an initial capital of three million lire

The Company aimed at exploiting and bottling the mineral water welled from the "Fonte San Benedetto" spring, located at Scorzè. The water has been known since the times of the Venetian Republic. It originates in the Venetian Pre-Alps and flows in many slopes of the ancient bed of the river Piave up to a depth of three hundred metres.

The Company's capital at present amounts to 1,700,000,000 lire and both its plants and equipment have from year to year been enlarged or renovated.

Its production has been extended to include a wide range of aerated beverages. It sells its products throughout Italy.

It exports to EEC markets and to some Mediterranean countries, sending out its products in containers even to the United States of America.

مكازم التحمل

IL VENETO III

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industry and farming which explains to some extent the phenomenon of part-time farming...

Importance

It is sufficient to drive through the Veneto to see the importance of agriculture...

Agriculture in the Veneto is general considered more efficient and profitable than in most other Italian regions...

Expansion Co-operative farming in the region is in constant expansion. In the cattle sector...

There thus developed a system of osmosis between urban concentration, but intense maintained an equal balance...

Policy If farmers sometimes complain about industry, they complain even more about the Community's agricultural policy...

Conflicting views on the future of Venice

THE SETTING, of course, remains the same. Venice shimmers in the summer haze...

greater difficulty: just what is the future of Venice today, in Modern Europe and modern Italy?

Murano, the glass-making island across the lagoon, the "No" vote touched over 80 per cent.

fought on many fronts. The difficulties of co-ordinating various bodies, each with a constitutional degree of autonomy...

Perhaps it is because the memory of the disastrous flooding of November 4, 1966, is fading...

The outcome was an enormous vindication of the status quo. At least on the face of it...

Even so, the city remains acutely vulnerable to the high tides that, in winter especially...

Vulnerable It was from these that mainland industry drew much of its water requirements. But the depletion of the underground basin...

Advertisement for Arnoldo Mondadori Editore Verona, featuring various printing services like Web Offset Printing, Magazine Publishing, Litho Printing, Paper Mills, Gravure Printing, Audio Visuals, Magazine Printing, Book Publishing, Co-edition Publishing, World Wide Sales, and Catalogue Printing.

Apathy Second, many suspect that what seemed a resounding verdict was in truth a massive affirmation of apathy...

Continuation of the article on Venice's future, discussing the impact of the sea and the vulnerability of the city's infrastructure.

Advertisement for "MARCO POLO" OF VENICE, The third Italian international airport. Includes details about the airport's location, facilities, and passenger volume.

Advertisement for Acciaierie e Ferriere Vicentine Beltrame, a steel production company. Lists products like steel sections, angles, squares, flats, special profile shapes, and L-tee channels.

Advertisement for the Port of Venice, managed by Provveditorato al Porto di Venezia. Highlights 432,000 sqm of marshalling and stacking areas for ro-ro and container traffic.

Advertisement for SanRemo SR, featuring a large image of a building and contact information for the company's London office.

IL VENETO IV

Record year in tourism

THE AMERICAN lady was obviously (and quite shamelessly) enjoying herself hugely in Venice. Sitting on the terrace of one of those discreetly opulent hotels on the Grand Canal, with a concoction of sea food in front of her, her eyes watered slightly when a gondolier suddenly broke into song...

There were, of course, the retired schoolmasters, the tourist groups, the spinners and their companions, the family parties all rushing in and out of museums and churches, heeling into little shops selling useless glass objects, and, if they were left with enough cash, taking the inevitable gondola tour.

Example The Venice Biennale, and its stormy history since it was set up at the end of the 19th century, is a case in point. In 1932, it organised the first-ever film festival, despite the heated debate on whether the cinema was effectively an art form or not.

Through-out these years, members of the Biennale have resigned and indeed are continuing to do so. In the wings, political parties have sought to increase their respective voices in an institution that clearly has a peculiar significance in Italy.

Among the other projects, is a series of theatrical initiatives to coincide with the February Venetian Carnival and a programme of concerts and operas on the theme of mythology. The Biennale is only one, a significant example of the sort of contribution this region plays in the cultural life of the country.

The fair city of Verona

VERONA — the fair city, immortalised by Shakespeare in which Romeo and Juliet met their untimely end, has recently added a new item to its long list of distinctions: it became the richest city, pro capita, in Italy.

Verona is a city of skilled craftsmen and good businessmen, sensitive to the market and its requirements. The Veronese is steeped in his city's history and himself conserves some of the characteristics of the "renaissance man".

Verona's shoe industry with more than 150 firms employing some 10,000 former shoemakers, is Verona's largest single source of income. Turnover last year totalled L165bn; three-quarters of production was exported, mainly to West Germany.

technology. Four hundred firms throughout the province built the pink stone, and much of the marble-working machinery made in Italy, the world's largest exporter of such machines, comes from Verona.

Verona's mental affinity with Germany in business matters has strengthened the economic and geographical bond existing between the two areas. German car makers, Audi, Mercedes Benz and BMW all have their Italian headquarters in Verona.

Verona shoe production averages 60,000 pairs per day, nearly one-quarter of Italy's total output; exports have nearly doubled over the past two years, and Verona is second only to Florence, the shoe capital of Italy.

Veronese wines have always been justly famous. The well-known Bolla Wine Cellars are from Verona, as are the smaller cellars of Bertani and Pieropan. The province alone, with its Valpolicella, Bardolino and Soave, produces 90 per cent of the DOC (Denominazione di Origine Controllata) wines of the entire Veneto region.

The biggest single employer in Verona is the Mondadori Publishing Company, whose production headquarters are located in a modern glass-fronted building, near the suburb of town. Mondadori began printing in Verona in 1907, but only 20 years ago did it start to do job printing for clients as means to keep its presses from standing idle during slack periods.

Magnet

Venice, undoubtedly, is the magnet of the Veneto's tourist industry, and together with Florence and, perhaps, Rome, the country's most-visited city. As a result, it is hardly surprising that the Veneto alone accounts for as much as a fifth of the country's tourist trade.

In terms of daily presences, the figure increased from 48m to 49m, with foreign visitors accounting for 17m and the balance made up of an increasing number of Italians, who are deciding more and more to stay at home. Tourism earned the Veneto some L1,200bn directly last year, and much more indirectly.

Venice

their share of the funds available under the special law—even though it is suggested by some that not more than half the L300bn has so far been spent. And that famous international UNESCO loan of \$200m, conditional first of all on the passage of the special Italian Law for Venice? It seems that as soon as the precious dollars were lined up, they disappeared in a lira crisis. But, as Sir Ashley Clarke points out: "It's not dollars we need in order to save Venice, but lire."

ADVERTISEMENT

Invalid identity card for the economy of the Veneto Region SUMMARY: The limited public intervention in support of the private production activities—The Region as the reference point for small firms—Statements of the regional Council for industry, Mr. Luciano Righi.



BANCA POPOLARE DI VERONA

VENETO From Venice to the Dolomites, from the Lake of Garda to the Sea, the VENETO offers the very best you can possibly wish in a region homogeneous by language and tradition. The VENETO offers fascinating alternatives for your stay: sea-beaches, lakes, hills, mountains, thermal springs and cities of art.

VENETO map showing various regions and cities like Belluno, Treviso, Vicenza, Verona, Padova, and Rovigo.

THE ARTS

Handwritten text in a box at the top right.

Cinema

Resistible Hobbits by NIGEL ANDREWS

The Lord of the Rings (A.A.)... Haymarket and Oxford Street... My Love Has Been Burning (A) Gate Two Generation...

wonders what on Earth possesses movie animators to go on using the same over-familiar voices: film after film. John Hurt, fresh from his vocal exertions as Gaze in Watership Down, lends his all-too-recognisable rasping timbre to the role of Aragorn...

Against a backdrop of fierce political disputes and the threatened dissolution of the country's Democratic party, we follow the story of a young woman who comes to Tokyo to join the growing movement for women's freedom...

been defined and circumscribed by the studios. Today, argues an admirable new book called The Movie Brats by Lynda Myles and Michael Pye, we have seen the rise of a new "cineliterate" generation of film-makers...

It's a dangerous business confessing to a dislike of J.R.R. Tolkien's The Lord of the Rings. Say a word against the book and a hundred mad-eyed Tolkienites will bear down upon you like angry hobbits...

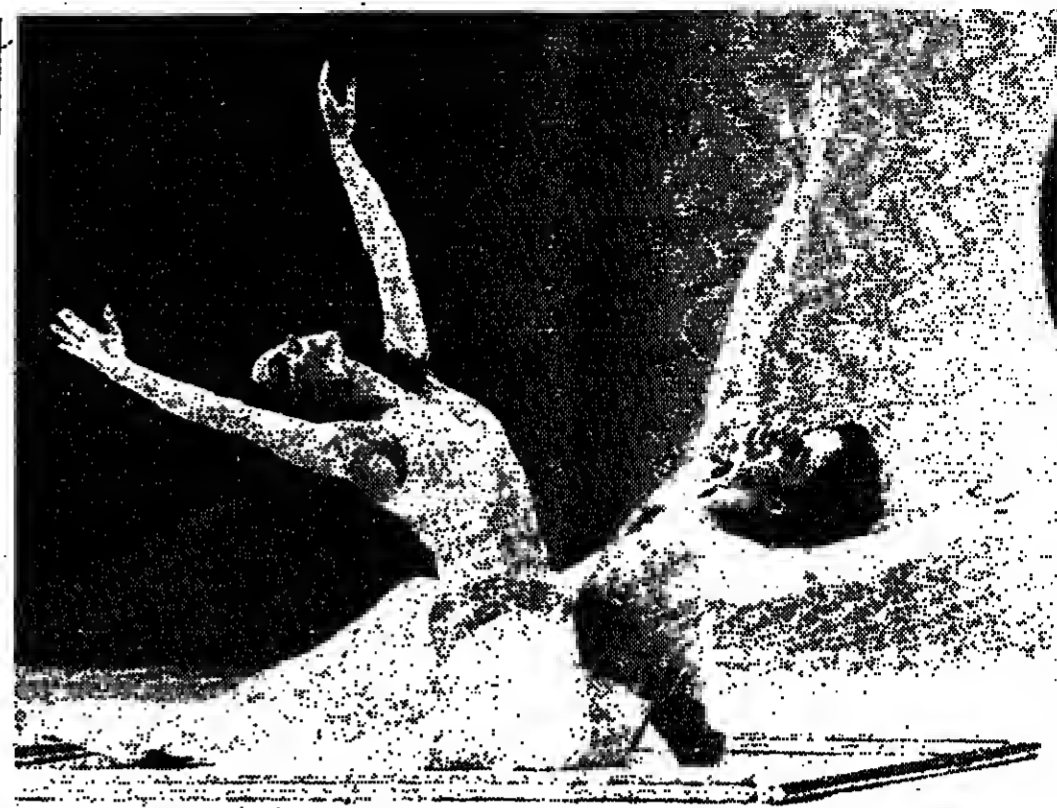
The film is even more resistible than the book. It is like nursery wallpaper sprung to life. Ralph Bakshi, the director-animator who rose to fame with the frisky Fritz the Cat and the heady Heavy Traffic, seems here to have tried to crossbreed Arthur Rackham with Jackson Pollock...

Bakshi, with an army of animators at his command, has made a showy, hyperbolic, deafening and singularly charmless film. For the battle scenes that crown the story, the film is based on the first two volumes of the King trilogy...

Frodo Baggins and Gandalf and Aragorn, meanwhile, and the rest of the story's motley ringbearing heroes are animated with almost insipid conventional animation. None of them spring to idiosyncratic life: and one



Frodo and Gandalf in 'Lord of the Rings'



Lucy Borge and Mark Wraith

Sadler's Wells

The Tempest

One of the attractions of The Tempest is that, like Prospero's island, it invites exploration. Its hermetic characters and incidents demand that we supply supposition, explanation, investment of its power as a metaphor...

There is a larger problem with the choreographic text. Whether through lack of the right dynamic inspiration from Arne Nordheim's commissioned score, about which David Murray comments below, or through too generalised a conception of the characters...

the hallet which I wish Tetley had made by ignoring the play as a narrative device, and providing instead a fantasy in which his imaginative gift could have taken wing.

CLEMENS CRISP

It can be argued that The Tempest is better suited than most Shakespeare plays to dance realisation, because of its magical nature, its compression, its richness of visual imagery. In an introduction to the Penguin edition of the text (to which I turned as a preliminary to seeing the hallet; and be it said at once that a reading of the play is necessary homework to help grasp what Tetley does) Ann Righer observes: "More perhaps than with any other growing inexpensively through the role of the CIA agent sent to guard Mr. Shaw? And is that really Maximilian Schell, or a plaster Santa Claus, donning a red wig and false beard as the KGB man-in-disguise sent to kill or retrieve the defector?"

But the problem with Tetley's realisation is that he has not intended a mere adaptation of the play into danced terms, but rather sought to show - very properly - the abundant symbolism, the cultural cross-references, the mythic quality, that attracted him to the drama. Thus, as in so many of his ballets, we are confronted with a superstructure of meaning that rises from a simple fact. The programme announces his version as "based upon the play," and it asserts itself, by the very fact of the characters' precise appearance, as a dramatic narrative. And in this it fails, through Tetley's parallel concern with exploring the relationships and

James Mason to narrate TV series. James Mason will be the narrator of the Thames Television series Hollywood, a documentary on the pre-talkie days of the film capital. It will be seen this autumn both in Britain and the United States in a 13-part series, each of one hour. James Mason replaces Laurence Olivier, who has had to withdraw because of heavy film and other commitments.

DAVID MURRAY

NOTICE OF REDEMPTION Cummins International Finance Corporation

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NOTICE IS HEREBY GIVEN that pursuant to the provisions of the indenture dated as of August 1, 1968 between Cummins International Finance Corporation (the "Company"), Cummins Engine Company, Inc. (the "Company") and Chemical Bank, New York, New York (the "Trustee")...

Table with columns: Amount, No. of Shares, and other financial details.

On and after the Redemption Date the Debentures shall be redeemed in cash... Interest on the Debentures shall be accrued on and after the Redemption Date...

Cummins International Finance Corporation By: Chemical Bank, Trustee Dated: June 29, 1979

Phoenix Night and Day by B. A. YOUNG

Either Tom Stoppard has written some new dialogue into Night and Day, or I missed some of its merits when I saw it before. (One exchange is clearly new: "Are the papers down in it?" "I don't think so. We're still getting 'The Times'.") There are small changes in production: for example, Ruth's spoken thoughts are not so flamboyantly projected as they were, and the only musical support they're now given comes when, in despair, she comes downstage and sings "That's why the lady is a tramp" before giving in to Dick Wagner for the second time.

Giving in? No indeed; leading him on. Maggie Smith, who has taken over the part from Diana Rigg, has an extraordinary gift for suggesting melancholy under a surface of frivolity. There is no "glamour" about this Ruth, except in so far as there must be something of that quality wherever Maggie Smith is. But Ruth, with straight, rather lank hair and ideally coloured face, matches hisle crumbling colonial background; still outwardly as grand as the property of a mining tycoon, she could be only a little short of house staff) but racked with the strains of a violently changing world. Miss Smith has most of the

Oxford Playhouse An Ideal Husband

This year's Oxford Festival, spreading its net for foreign visitors, gets off to a popular start with this handsome production, in which money has clearly been spent on costuming the women sumptuously, in particular Mrs. Cheveley and Mabel Chiltern, which is appropriate for Wilde has in this play a shrewd eye for fashion, and delivers some of his wittiest epigrams on the subject of clothes. Intriguingly An Ideal Husband is a favourite with audiences in Arab countries. There must be more in common between the mentality of the Casbah and the Wildcat drawing room than meets the eye: possibly in both progress, modern woman, intellectuals and so on invite the same scorn. In production we expect the characters to have a serious basis, but not be too serious, or some of the fun is lost. It is ludicrously abrupt changes of plot in the second act are hard to disguise, but it is important to keep a sense of the protagonists' motives and feelings to the fore. On the whole, David Gilmore's production strikes a fair balance. As Lord Goring, John Fraser rightly brings out the complex nature of this no longer

quite so young man of fashion. He may lose some of the brittle force of Goring's delivery one lively bon mot after another, but the sacrifice is worth it for the genuine sympathy Mr. Fraser touches on. As Mrs. Cheveley, Hildegard Neil is formidably dislikeable: she too is not altogether shown as a stereotype, and the ins and outs of Chiltern's early misdemeanour, when he sells a cabinet secret for profit, and the cover-up have an all too contemporary flavour. Wilde's sentimentality along the lines of "everyone has a weakness" above her soft-hearted he was compared with Ibsen. But Miss Neil and Richard Cressan as Chiltern and Bridget de Courcy are right to underline the moral implications of their sordid confrontations. It isn't all bluff (admirably shown by Karen Dotrice as Mabel Chiltern, though Miss Dotrice must learn to project more forcibly) and creating chairs, which give away the compromising lady in the hachelor apartment. Betty Marsden and Jonathan Cecil deserve a mention for comic impact in supporting roles. GARRY O'CONNOR

Country Cousin Morgana King

I've never known a Country Cousin audience so silent as during Morgana King's opening set there on Tuesday. The usual celebratory party stopped tickling each other, the waiters refrained from flirting, the drunks went maudlin; there was a hush. It was hardly because of Miss King's stage presence. A large American lady of approaching 50 she has a subtitled personality. She also has a quite

extraordinary voice, known to a cult following, and now introduced to the UK for the first time. It specialises in the top of the range, but really Morgana King can easily soar through any number of octaves. Fortunately she does not use it to show off - although for my taste there were times when she indulged herself too much in the highest registers - but to express emotions. Perhaps you have to close your eyes for the full impact, but Morgana King is a very affecting singer. The material is Radio 2 pop, but something as played-out as Billy Joel's "Just the way you are" comes over fresh. There is even a new case made out for "My Funny Valentine" and "The lady is a tramp" with some dainty guitar backing from Joe Puma. Morgana King has a touch of the Peggy Lee about her, but really she is her own woman. Rarely can a performer have commanded such an awe just with her voice. She should be heard if not seen. ANTHONY THORNCROFT

Young Vic Faust!

Sins that are committed in the name of refreshing the classics are legion, but Michael Bogdanov and the Young Vic Company must chew on some sort of biscuit for this sorry hotch potch. Finding a rhythm in English for Goethe is difficult enough, but it strikes me as a little cheap to just take the text and visit upon it an endless stream of gratuitous Young Vic-ery: disco punk music, four actors playing the good Doctor, a set that looks like an early draft for Arabella's Cat Cemetery and a complete disregard for the source material. Fighting a compulsive need to take notes, I noted the following lyrics which may serve as an epitaph: "Where are we going? Who are we working for? Working without knowing?" I imagine that Jamie Reid, the author, has fallen into the same trap as Peter Flannery in Manchester the other week, where a "version" of an early Brecht play was invoked in an attempt to write a poetically trendy cityscape. Reid's Faust is an Oxford don dissatisfied with the surrounding mediocrity and led by a slick, white-suited Mephistopheles (James Carter) on a guided tour of what he is missing.

The piece degenerates from there on in to a sort of wan and nightmarish parody of a Stephen Pollakoff play, with Margaret (nicely played by Tina Jones) as a white-stockinged Lolita sadly lamenting her brother's murder in a desolate precinct and Faust impersonated by a trio of Bogdanov regulars-Micky O'Donoghue, Bev Willis and Ian Taylor-as callous tycoon, impressionable romantic and black-leather Fascist. Bill Wallis as the Ur Faust watches his own demise from the sidelines in his familiar role of chain-smoking tramp. Terry Mortimer's music is feeble in the extreme and the sort of stuff reconciles me immediately to the best of the Sex Pistols or the Bronx Express. If you know anything of Faust, this exercise will help help whatsoever, and if you do care for the original, you will reign none the less when working with top-class actors and imaginative back-p. Mr. Bogdanov can be a thrilling director as his RSC Taming of the Shrew recently proved. But working from scratch, the product is, as here, too often sloppy, noisy and monotonous. MICHAEL COVENEY

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Can she survive until 1984?

ALL GOVERNMENTS go through phases. First there is the feeling of euphoria...

Full-term

It should not be surprising therefore that a question...

Pay lapse

Mrs. Thatcher is also in control of her own party. There has been the lapse over Mrs. Thatcher's pay...

While it would be rash to speculate on such drama, it would also be foolish to deny that the going could get very rough indeed.

It also seems quite likely that when the time comes they will do so from within the party. Certainly that is the lesson of the past...

supporters than by the Parliamentary Labour Party.

For instance, it was during Mr. Heath's period as Prime Minister that the precedent was established that a government could be defeated in the House of Commons without having either to resign or to ask for a vote of confidence.

Lame ducks

It would be naive to suppose that Mrs. Thatcher is unaware of the difficulties and is not doing her best to head them off in advance.

Mr. Enoch Powell apart, the most prominent opponent of Mrs. Heath's change of course was Mr. John Biffen.

In effect, guardian of the party's pledge to cut public expenditure. Other rebels, too, are now in the Government.

The conclusion one draws from this is that on economic matters at least Mrs. Thatcher is leading the Party from the right or rather neo-liberal wing.

Mrs. Thatcher is also leading from the right on Rhodesia, an issue which has split the Tory party ever since the imposition of economic sanctions.

Mrs. Thatcher appears to have rejected that course in advance. No doubt she is following her own inclinations and there is every reason to believe that she belongs to the Right by nature.

before, but with no great success. At the same time there could be a formidable body of opinion on the back benches, as well as from Mr. James Prior as Secretary of State for Employment.

Looking both further back and further ahead however, it is by no means certain that that analysis is correct. There has also been a tendency to rebel from the Left.

Boxed in

It is therefore by no means inconceivable that Mrs. Thatcher has boxed herself in. Assuming that Sir Keith Joseph as Secretary of State for Industry keeps his nerve...

before, but with no great success. At the same time there could be a formidable body of opinion on the back benches...

Looking both further back and further ahead however, it is by no means certain that that analysis is correct.

By-elections

For the future, one has only to look at the record of past governments to realise that the climate will change. The turning point in the Government's fortunes could be the rate of inflation or the level of unemployment.



Trevor Humphries "There is a fairly widespread school of thought which believes that the Government will survive something like five years, but that Mrs. Thatcher will not be PM at the end."

relative failure. It is as if few start in his new office. Watching him in the Northern Ireland debate on Monday, it was impossible not to be struck by his mixture of patience and firmness.

Malcolm Rutherford

The City and the Budget

From the Chairman, M. and G. Group Sir.—Not merely your own correspondence columns over the past few days but also Press comments appearing elsewhere have been giving the impression that 'the City' is displeased with the Budget.

Now so far as I am aware, there has not been a single public condemnation of the Budget by anyone who might be regarded as speaking for 'the City'.

Similarly, the International Monetary Fund measures in 1976 were interpreted, on the basis of conventional analysis, as deflationary. As I recall there was no shortage of businessmen subscribing to concern about loss of output and rising unemployment.

By-pass the Quangos From the Chairman, Consultative Group of Greater London Chambers of Commerce and Trade Sir.—Governments, banneted by the spectre of rising unemployment, have been pouring resources into the depressed regions to build factories, into nationalised industries, and into large 'lame duck' firms.

Lukewarm response

Sir.—The pained reactions in your columns to the lukewarm response of the City and business to Sir Geoffrey Howe's first Budget seems so reasonable, but is it really surprising and does it really matter?

Letters to the Editor

private sector matters to the successful outcome of Budget initiatives appears to fall into the same trap. It assumes that success rests upon a series of rational behavioural responses throughout the economy.

The example of currency appreciation serves well. There is abundant evidence to suggest that for whatever reason, currency movements have no effect on competitiveness and only determine the inflation rate, or domestic price level at which business is done.

Similarly, the International Monetary Fund measures in 1976 were interpreted, on the basis of conventional analysis, as deflationary. As I recall there was no shortage of businessmen subscribing to concern about loss of output and rising unemployment.

By-pass the Quangos

Sir.—Governments, banneted by the spectre of rising unemployment, have been pouring resources into the depressed regions to build factories, into nationalised industries, and into large 'lame duck' firms.

It should not be surprising if individuals in the City or business rather than anywhere else have become conditioned by an understanding of the political economy which everyone else seemed to subscribe to, and particularly one which seemed to be so orthodox, rational and caring.

Letters to the Editor

In day-to-day touch with small firms. The Chamber of Commerce and Trade movement has had to contend for years with the squeeze on small firms and the rise in central and local government bureaucracy.

The Association of British Chambers of Commerce, the National Chamber of Trade and the CBI's Smaller Firms Council should grasp the opportunity to combine their strength in a programme to wrest back the initiative for the regeneration of small firms from the quangos and the mushrooming costly government agencies.

Watching local budgets

Sir.—The dilemma over local government spending (Michael Crown July 3) can be alleviated by adopting the well known (but seldom achieved) dictum of "no taxation without representation."

In this way private citizens and industry would both benefit from more realistic and socially acceptable local government budgets.

Business motoring

Sir.—I would be grateful to anyone who could explain how to make the Inland Revenue "foot the bill" for my motoring. For some years it has been fashionable to use such expressions, to the point at which there are people glibly enough to take them at face value.

journey were not made, the business would not be done and the business and, hence, the Revenue would be the poorer.

Moreover, if I only am required, there is no way in which a more "efficient" journey could be arranged with three or four other people.

A view from Lloyds Bank

From the Editor, Lloyds Bank Review Sir.—Some of your readers may be puzzled by the news that Lloyds Bank proposes 'novelties' in the field of monetary reform.

As we always say, "the Bank is not necessarily in agreement with the views expressed in articles appearing in this Review. They are published in order to stimulate free discussion and full inquiry."

Cold water works

Sir.—As principal of a company associated with pharmacology, I expect I must identify myself with that happy blithered race described by David Carrick in his article (July 3) on the great enigma "Hay Fever."

Staff turnover?

Yes, they do occasionally' If your staff are happy, the chances are they'll stay. And that's good news for you because the true cost of recruitment is rising all the time.

Today's Events

GENERAL U.K.: Transport and General Workers' Union automotive group conference, Scarborough. National Union of Mine-workers conference, St. Helier, Jersey, final day.

C. M. Beresford Hartwell, 7 Beddington Gardens, Wollington, Surrey.

Today's Events

Bucyrus engineering company at Llocoon. Sir Kenneth Cork, Lord Mayor of London, receives four Madrid city councillors at Mansion House, before leaving for Spain on July 8.



'Staff turnover? Yes, they do occasionally' If your staff are happy, the chances are they'll stay. And that's good news for you because the true cost of recruitment is rising all the time. LOCATION OF OFFICES BUREAU Set up to promote a better distribution of office employment.

Record £5m for Greene King

IMPROVED SECOND-HALF profits of £2.5m against £2.2m enabled Greene King to report a 10% increase in pre-tax profit...

Laurence Scott: troubles persist

EMPLOYEES OF Laurence Scott and Electromotors, the Norwich-based subsidiary of the Laurence Scott electronics group, have been told that the performance of the Norwich works in the March quarter was 'simply appalling'.

Phillips Patents at £0.11m

Phillips Patents (Holdings) turned in taxable profits of £110,665 in the 53 weeks to March 3, 1979, compared with £104,925 in the previous year.

Coutinho Caro well ahead

FROM TURNOVER of £95.25m against £89.5m, profit of £6.5m, Coutinho Caro and Co., unquoted supplier of steel, chemicals and industrial plant, rose from £1.87m to £2.68m in 1978.

Pitman static at £1.53m

PRE-TAX PROFITS at Pitman, the publishers, printers and college proprietors, were virtually unchanged at £1.53m against £1.57m in the year to March 31, 1979.

Ferranti looks for progress

Rising inflation and interest costs and the recent strength of the pound will pose problems this year, says the chairman of Ferranti in his annual report for the year ended March 31, 1979.

The Chairman Mr. Harold Cooper reports an optimistic view of the current year based on the first few months trading and the healthy state of the forward order books.

Routledge Kegan Paul rises to £421,000 Prui increases new business

RECORD new life and pension figures for the first half of 1979 are announced by the Prudential Assurance group in the UK. New annual premiums on worldwide business advanced 27 per cent...

Downturn at Tex Abrasives

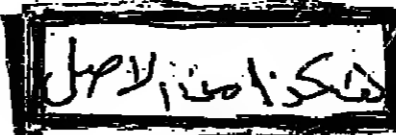
SECOND-HALF profits of Tex Abrasives were marginally higher than last time, but, as expected, the year to March 31, 1979, finished with the taxable surplus down from £458,125 to £267,888.

National Mutual lifts bonus rates

National Mutual Life Assurance Society yesterday announced that it was improving its final bonus rate payable on death or maturity claims.

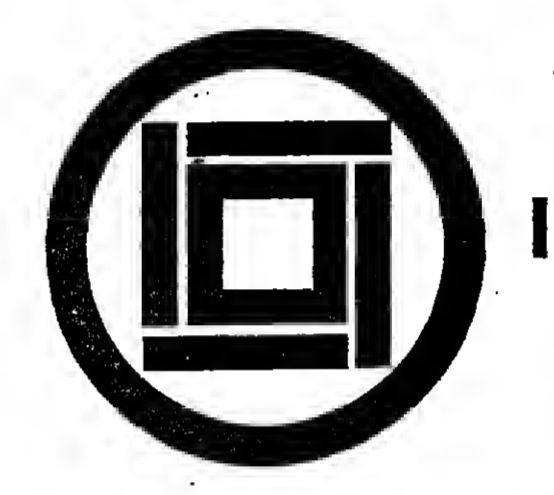
Birmingham Pallet halves dividend as profits dive

Birmingham Pallet Group is halving its interim dividend after a midway profits slump from £121,000 pre-tax to £22,500 sales in the half year to April 30, 1979, rose from £1.7m to £1.7m.



CREDIOP Public Statutory Body Headquarters: Rome, Via Quintino Sella 2 Tel: 47711

The ordinary general Shareholders Meeting has approved the Balance Sheet for the year 1978, which closed with profits amounting to 4.5 billion lire after having set aside reserve funds for 123 billion lire.



ICIPU Public Statutory Body Headquarters: Rome, Via Quintino Sella 2 Tel: 47711

The ordinary general Shareholders Meeting has approved the Balance Sheet for the year 1978 which closed with the accounts in balance after having set aside reserve funds for 3 billion lire.

Scottish & Newcastle Breweries Limited



Results 1979 Preliminary announcement

The audited results for the 52 weeks ended April 29, 1979 are as follows:

Table comparing 1979 and 1978 financial data: Turnover (426.9 vs 389.5), Profit before tax (37.8 vs 35.2), Profit after tax (24.3 vs 28.4), etc.

- * Proposed final dividend 2.527p per share. Total dividend 3.977p per share—gross equivalent 10% more than 1978. * All brands shared in beer sales recovery in second half.

The annual general meeting will be held in Edinburgh on August 16, 1979 at noon. The proposed final dividend will be paid on August 21, 1979 to ordinary shareholders on the register at the close of business on July 27, 1979.

The annual report and accounts will be posted on July 24, 1979. Additional copies can be obtained from the Company Secretary, Scottish & Newcastle Breweries Limited, Abbey Brewery, Holyrood Road, Edinburgh.

Companies and Markets

BIDS AND DEALS

MINING NEWS

Bass expands in Holland with £16m hotel purchase

BASS, the beer, pubs and Crest hotel chain, has just increased the number of its hotels in Holland from three to 13 in a £16m deal.

Burnett & Hallamshire shares suspended at a high of 400p

Shares of Burnett and Hallamshire, the open-cast coal mining specialist, were suspended yesterday at 400p ex dividend compared with a low for the year of 215p, valuing the group at £21m.

Aurora replies in E. Allen battle

With the cash offer for Edgar Allan Balfour due to expire next Wednesday Aurora Holdings is reminding shareholders that it is equivalent to nearly 20 times the forecast earnings, assuming a full tax charge.

Teutonic Bore venture gets the go-ahead

TEUTONIC BORE, the modest-sized but good grade, copper-gold deposit Selection Trust and MIM Holdings discovered three years ago near their Agnew nickel mine in Western Australia, is to be developed for mid-1981 production.

Tony Grey: Australia has not lost the uranium market

AUSTRALIA IS admirably embarked upon an inventory policy which has the effect of bringing forward their uranium requirements, Mr. Tony Grey, the chairman of Pancontinental Mining, the majority-owned developer of the Jabiluka deposit in the Northern Territory.

KELLOCK SELLS H. MORRIS FOR £300,000
Kellock Holdings is selling H. Morris and Sons to Hortus Printing of Burnley, Lancashire for £300,000 cash, payable on completion expected on July 17.

MONTAGUE L. MEYER
Montague L. Meyer has increased its network of timber and builders merchants by purchasing three more companies.

NEGRETT
Negrett and Zambra has through its wholly-owned subsidiary, Williamson Manufacturing, sold its factory at 69 Hawthorn Road, Willesden, London, for £335,000 in cash.

JENKS & CATTELL

The directors of Jenks and Cattell say their shareholders, including Pentco, holding more than 53 per cent of the ordinary shares do not intend to accept the 80p per share offer by Armstrong Equipment.

TAYLOR WOODROW / SEAFORTH OPTION

Taylor Woodrow has taken up its option to buy a further 15 per cent in Seaforth Maritime, a specialist offshore supplier to the North Sea oil industry. The stake has been bought from Seaforth's parent company, James Finlay under an agreement made last year when Finlay acquired Seaforth.

Parker Knoll acquiring Raymakers for £2.7m

CONDITIONAL contracts have been exchanged for the acquisition by Parker Knoll of K. Raymakers and Sons for £2.7m in cash and shares.

SHARE STAKE

London and Liverpool Trust—Vinea Corporation has disposed of its entire holding, amounting to 421,950 shares.

Annual report 1978

SHV Holdings nv

The Netherlands
Trading profit £25 million
Net profit £9 million after allowing for £16 million extraordinary losses

SHV is an international group operating in distribution and service industries with a continuing policy of international growth. It is one of the 10 largest trading companies in Western Europe.

The main sectors of the business are:
-energy, transport and trade in raw materials.
-technical services.
-wholesale and retail trade in food and consumer goods.

Key points from Annual Report 1978:

- For the normal activities of the company, 1978 was a satisfactory year.
-In the Building Projects group, progress in the winding-up of operations was again accompanied by considerable losses.
-Lastly, a substantial loss arose in connection with the sale of the minority shareholding in VDB Verenigde Distributiedrijven bv (the former deGruyter shops).
These losses were almost entirely covered by the balance of a provision which was made in connection with the acquisition of deGruyter in 1970, and which was added to other reserves in 1972.
-Total turnover increased from Hfl. 8,300 million to Hfl. 8,600 million and trading profits decreased from Hfl. 118 million to Hfl. 101 million in 1978.
-Investments in property, plant and equipment amounted to Hfl. 179 million (£44.8 million).

Expectation for 1979:

- For 1979, we expect a trading profit at the same level as was achieved in 1978.
-The two construction projects in Saudi Arabia demand special attention. Uncertainties remain as to the scope and nature of these two projects.

Activities in the U.K.:

Turnover in the United Kingdom amounted to £185 million and the number of employees was approximately 3300.

Energy and Transport

The shipping and coal trading activities in the U.K. form part of SHV's international involvement in all aspects of shipping and coal trading. The U.K. activities are coal trading, bunker and oil cargo brokers, chartering (dry cargo and tanker chartering), shipping and forwarding agents.

Self Service Wholesale Trade: Makro

As a result of a noticeable recovery in consumer demand, the implementation of cost reduction measures and the introduction of a new commercial programme, which has paved the way for a revised marketing approach, developments in this division were encouraging, and results were well ahead of expectations.

The new Glasgow store was opened in July, and a start has been made with the expansion and refurbishing of the Newcastle branch.

During the year, our supplier of electrical goods (an important product group) was taken over by the Makro organization. This arrangement will improve the reliability of supplies. A start was also made with international cooperation in the purchasing field.

Table with columns for 1978 and 1977. Rows include: Summery of annual report (in £ million) consolidated balance sheet; fixed assets; current assets; current liabilities; total; other long term liabilities; total net assets; financed by share capital and reserves including outside shareholders interests in consolidated subsidiaries; provisions; subordinated long term debts.

key figures from the consolidated P & L account

Table with columns for 1978 and 1977. Rows include: (in £ million) turnover; profit after taxation; cash flow.

return on shareholders' funds including third parties' interests

Table with columns for 1978 and 1977. Row: return on shareholders' funds including third parties' interests.

analysis of sales (in %):

Table with columns for 1978 and 1977. Rows include: geographical in the Netherlands; in the rest of the EEC; in the rest of the world; 100%; 100%.

divisional

Table with columns for 1978 and 1977. Rows include: Energy, transport and trade in raw materials; Technical services; Wholesale and retail trade in food and consumer goods; 61; 58; 100%; 100%.

analysis of groups profit divisional (in %):

Table with columns for 1978 and 1977. Rows include: Energy, transport and raw materials trading; Technical services; Wholesale and retail trade in food and consumer goods; 23; 31; 11; 13; 65; 56; 100%; 100%.

31-12-1977 Hfl. 4.35-£1.00
31-12-1978 Hfl. 4.00-£1.00

The annual report 1978 (in English, French, German or Dutch) can be obtained on request from: SHV (United Kingdom) Holding Co., Ltd., Three Quays, Tower Hill, London EC3R 6DH Telephone (01) 826 9126

SHV Holdings nv
1 Rijnkade, Utrecht
The Netherlands



Advertisement for SNCF SOCIÉTÉ NATIONALE DES CHEMINS DE FER FRANÇAIS PARIS. Includes text: 'This announcement appears as a matter of record only.', 'SWISS FRANCS 100,000,000', '4 1/4% SWISS FRANC BONDS OF 1979 DUE 1991', and lists of banks like SODITIC S.A., KREDIETBANK (SUISSE) S.A., etc.

Financial adviser to the transaction
Hutton

May 1979

INTERNATIONAL COMPANIES and FINANCE

NEWS ANALYSIS—CIT FINANCIAL/RCA

Room for growth in financial fields

BY STEWART FLEMING IN NEW YORK

SINCE HE was catapulted to the job of chief executive of RCA in 1976, after a succession of boardroom upheavals, Mr. Edgar Griffiths has presided over a dramatic recovery in the fortunes of the electronics and broadcasting company...

management of RCA was well aware of the need to meet this challenge to the corporation's long-term future. Mr. Griffiths has said publicly this year that RCA was beating the bushes in search of a major acquisition...

RCA's move is important not just for the company, but also in terms of the structure of the U.S. financial system. Analysts see considerable benefits to RCA from having an in-house financial business—indeed, one analyst said yesterday morning...

operations as consumer finance and the lease financing of industrial equipment for corporations. CIT also has an insurance subsidiary, which last year produced after-tax income of \$18m.

hit serious trouble when after tax income plunged to \$110m as the television and semi-conductor markets collapsed, adding to problems which already existed as a result of past errors.

tax forms for a number of years. Mr. Griffiths then took over the running of the company. Since then, RCA's profits have risen sharply, hitting \$278m or \$3.65 a share last year.

Table with 3 columns: Divisions, 1978 revenues, Profit before tax. Rows include Consumer electronics, Commercial electronics, Broadcasting, etc.

Table with 3 columns: Divisions, 1978 revenues, Profit before tax. Rows include Financing, Life and health insurance, Banking, etc.

That recovery has been rooted not only in the steady improvement in the U.S. economy and in the diverse range of industries which RCA serves but also in the imposition of a tighter financial structure for the business.

that financial services would be an area of interest. Indeed, there has been speculation that RCA at one stage talked to Waiter E. Heller International, the company which Midland Bank of the UK has set its sights on acquiring.

that the fact that RCA has not had its own subsidiary to finance its sales of such items as broadcasting equipment, or the leasing side of its Hertz car and truck rental operations, was a weakness.

in the wake of the profits slump of 1974, Mr. Robert W. Sarnoff, the chairman and chief executive of the company, was dismissed. The son of David Sarnoff, this man who built up RCA between 1930 and 1968—Robert Sarnoff has been criticised for what amounts to foie de grandeur in his management of the company.

RCA had suffered the public indignity of having to write off fully \$490m following the decision to reverse a major strategic choice and try to compete in the mainframe computer market.

of the recovery, RCA's share is selling at only seven times earnings at the current price of some \$25 each, reflecting analysts' worries about whether the company will again prove to be vulnerable to an economic recession.

Suit filed on German A & P stake

TWO SHAREHOLDERS of the Great Atlantic and Pacific Tea Company, the U.S. supermarket chain, have filed suit charging that the sale of a 42 per cent stake in A & P to the West German retailing concern Tengelmann violated U.S. securities laws.

Mr. Ladd joins Warner venture

SPECULATION ABOUT the future activities of the high-flying Alan Ladd, Jr., after his resignation from Twentieth Century Fox Film Corporation has ended with an announcement of a joint venture in motion picture production with Warner Communications.

than on the administration. He explained his resignation from Fox in terms of an uncomfortably heavy administrative workload.

Mr. Ladd and his team have been responsible for a string of major box office successes, led by Star Wars, which have sharply boosted Fox's profits and paved the way for diversification.

Can Pac Airlines unfolds expansion plans

CANADIAN Pacific Airlines, in a major move to capture half of the Canadian air traffic market, plans to spend more than \$100m (\$US860m) on a five-year capital expansion programme.

Flexi-Van drops bid for Seaboard

Flexi-Van Corporation, the "white knight" who was expected to snatch Seaboard World Airlines from an unwelcome suitor, has decided instead to ride off alone into the sunset and abandon its merger proposals.

Studebaker in merger talks

BY JOHN WYLES IN NEW YORK

STUDEBAKER - Worthington, which manufactures industrial and electrical equipment, yesterday revealed that it had received merger overtures from a large U.S. industrial company interested in paying a substantial premium over current book value.

The company was once a famous manufacturer of motor cars, but it withdrew from that business in 1963. It went on to acquire a number of companies, culminating in the 1977 acquisition of Worthington. This gave it a range of activities embracing the manufacture of compressors, turbines and valves as well as electric generators and automotive parts.

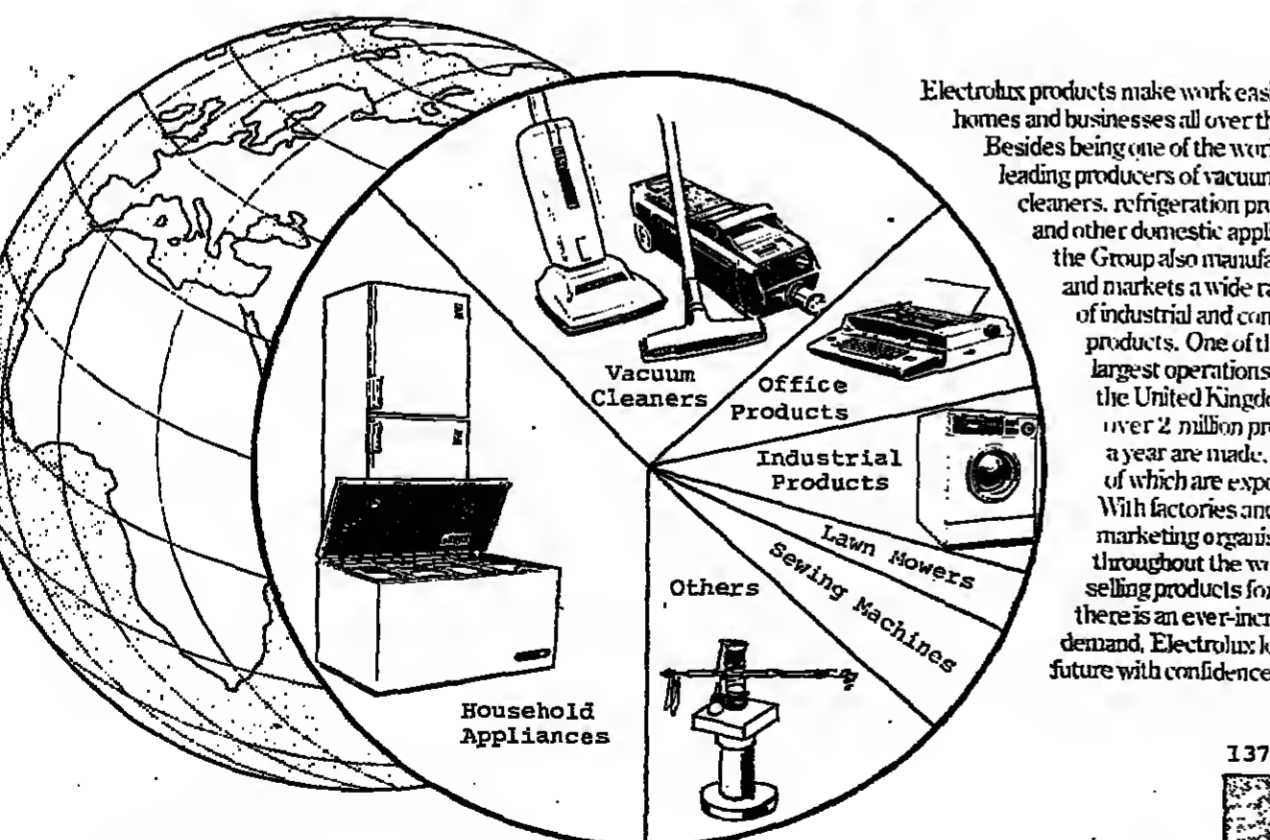
Hard currency sector gains in Eurobond market

BY JOHN EVANS

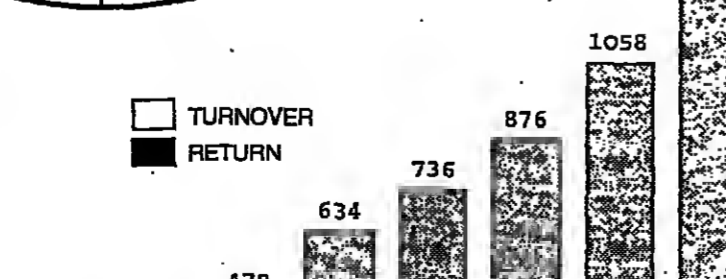
MIDDLE EAST buying emerged yesterday in some "hard currency" sectors of the Eurobond market, while elsewhere the proposed \$150m European Investment Bank issue was floated in the pre-market on a 10.05 per cent yield basis.

overall drifted fractionally lower yesterday. In trading still unsettled by the weakness of the dollar exchange rate, prices of Deutsche Mark Eurobonds rose by around a point. Eurosterling bonds showed early strength, after the pound moved over \$2.25 in currency markets. But profit-taking later eroded the advance, particularly after the Bank of England continued to maintain its minimum lending rate at 14 per cent.

Electrolux - meeting needs worldwide



TURNOVER Electrolux has shown many years of continuous growth. Turnover has increased more than six-fold since 1970 to £1,377 million in 1978.



RETURN Operating result after normal depreciation has gone up from £15m in 1970 to £108m in 1978. Return on equity capital has more than doubled since 1970 to 15% in 1978.

Electrolux Aktiebolaget Electrolux, Stockholm, Sweden.

Dominion Bridge issue

DOMINION BRIDGE, the highly successful structural steel subsidiary of the Canadian Pacific group, which has branched out into U.S. steel fabrication and oil service supply, plans a rights offer to raise some US\$385m of new money to finance future expansion.

FT INTERNATIONAL BOND SERVICE

Table listing international bond issues with columns for U.S. Dollar, Deutsche Mark, Yen, and other currencies, including issue details and market data.

YEN STRAIGHTS Issued Bid Offer Change on day week Yield... Table with columns for currency, issue name, bid, offer, change, and yield.

SEC gives details of Triumph Adler deal

BY JEFFREY BROWN
VOLKSWAGEN is to pay DM 216m (\$117m) for the controlling interest in West German office equipment manufacturer Triumph Adler...

Dornier expects upturn in demand

BY GUY HAWTHORN IN FRANKFURT

DORNIER, the West German aerospace group, says secure prospects will flow into the 1980s. It forecasts rising demand for its products which include aircraft, space technology, electronics and defence technology...

cent from DM 722m to DM 887.4m. However, Dornier's total output in 1978 was worth some DM 785m—5.5 per cent up on the previous year...

DM 19.2m. Of this some DM 5.5m is being allocated to reserves in contrast with the previous year's DM 3.6m.

DM 300m resulted from work carried out abroad, almost double the 1977 figure. Foreign earnings led to a hefty increase in net profits...

French tyre group plans to cut out lossmakers

By Terry Dodsworth in Paris

KLEBER-COLOMBES, the French tyre company, is aiming to complete by 1981 a reorganisation plan designed to eradicate the heavy losses of the past few years...

Foreign investment in Italy increases

BY RUPERT CORNWELL IN ROME

NEW EVIDENCE of Italy's return to favour as a home for foreign investment has been provided by a survey released yesterday showing that for the first time since 1971, foreign shareholdings in major Italian companies are increasing...

Nestle plans Brazilian plant

BY JOHN WICKS IN ZURICH

NESTLE, the Swiss food group, is to open a new factory in Brazil for the manufacture of milk and cocoa products. Located at Itabuna in the northern state of Bahia, it will process local milk and cocoa beans...

Nestle's major new research project, the Swiss Food and Research Centre, will according to a company statement, be built at Vers-chez-les-Blanc near Lausanne, Switzerland...

figures because of an alteration in consolidation principles. At the same time, the Board is to ask shareholders to approve an increase in share capital from SwFr 24m to SwFr 30m...

U.S. licensing agreement for Nitro Nobel

By Victor Kayfetz in Stockholm

NITRO NOBEL, the Swedish explosives company, a subsidiary of the chemicals group Kemana, has announced a 10-year licensing and collaboration agreement with the Atlas Powder Company of Dallas, Texas...

Swiss SE activity

Swiss Stock Exchange turnover shows an increase for the first five months of 1979. In Zurich, turnover was up from SwFr 43.1bn to SwFr 49.6bn...

Fiat aiming for larger slice of European market

TURIN—Fiat, the Italian car maker, is mounting an offensive to win a larger share of the 12m car-a-year European market. The European market is critical to Fiat, which claims to hold the largest share...

Monberg and Thorsen lifts earnings

By Hilary Barnes in Copenhagen

PRIVATELY-OWNED civil engineering, manufacturing and trading group, Monberg and Thorsen, reports a 39 per cent increase in sales for last year to Kr 1,289m...

Mannesmann sees little change in sales outlook

DUSSELDORF

Mannesmann, foreign subsidiaries fell by 19 per cent to DM924m in the first five months of this year, but a 4 per cent increase to DM3.4bn in domestic companies' sales left overall turnover of the steel pipe and industrial plant group little changed from the previous year at DM4.3bn...

At the same time, the chairman said that an increasing search for energy saving processes, and alternative sources of energy could benefit the machine builder's business.

Japan relaxes rules for Eurodollar CD issues

THE MINISTRY of Finance in Tokyo is understood to have allowed Japanese banks with branches in London to lengthen to five years the maturity on the floating rate note certificate of deposit issues they arrange in London...

Major European and U.S. banks have been able in recent months to arrange FRN issues which carry coupons of 4 per cent over the mean of the bid and offered six month London interbank rate...

Elf Aquitaine sees upturn

ZURICH

Elf Aquitaine expects its group cash flow to rise sharply to around FFr 1,000m (\$235m) in 1979 from last year's FFr 6,000m...

China close to the completion of foreign debt programme

BY JOHN EVANS

CHINA HAS so far this year completed or is on the verge of finalising about \$2.6bn in foreign credits, according to Mr. Louis Saubolle, the Asia representative for the Bank of America...

the Bank of China and a number of western commercial banks in recent months, Mr. Saubolle added.

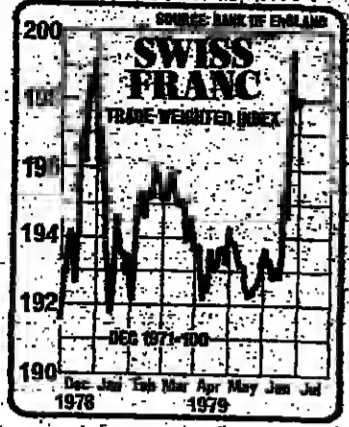
national financing activity. A bank is restricted to a maximum lending ceiling for any one borrower of 10 per cent of its capital plus reserves, the banker explained.

Creditanstalt can solve your foreign currency problems before you can spot them. There are 17 different currency abbreviations hidden in this picture. Can you say what they are? Creditanstalt-Bankverein, Schottengasse 6, A-1010 Vienna. Telephone: (0222) 6622-1221, Telex: 74793.

CURRENCIES, MONEY and GOLD

Pound up despite profit taking

Trading in yesterday's foreign exchange market centred on sterling. At these conditions were hectic as dealers were quoting defensively wide spreads...



THE POUND SPOT AND FORWARD

Table with columns: Day's spread, Close, One month, % p.a., Three months, % p.a. Rows include U.S., Canada, Netherlands, Belgium, Denmark, Ireland, W. Ger., Portugal, Spain, Italy, Norway, France, Sweden, Japan, Austria, and Switzerland.

THE DOLLAR SPOT AND FORWARD

Table with columns: Day's spread, Close, One month, % p.a., Three months, % p.a. Rows include U.K., Ireland, Canada, Netherlands, Belgium, Denmark, W. Ger., Spain, Italy, Norway, France, Sweden, Japan, Austria, and Switzerland.

CURRENCY RATES

Table with columns: Currency, Bank rate, Special Drawing Rights, European Currency Unit, Bank of England Index, Morgan Guaranty % change. Rows include Sterling, U.S. dollar, Australian dollar, etc.

OTHER MARKETS

Table with columns: July 5, £, \$, Note Rates. Rows include Argentina Peso, Australia Dollar, Canadian Dollar, etc.

EMS EUROPEAN CURRENCY UNIT RATES

Table with columns: Currency, Rate, % change, Divergence. Rows include Belgium Franc, Danish Krone, German DM, etc.

EURO-CURRENCY INTEREST RATES

Table with columns: Term, Sterling, U.S. Dollar, Canadian Dollar, etc. Rows include 1 month, 3 months, 6 months, 12 months.

EXCHANGE CROSS RATES

Table with columns: July 5, Pound Sterling, U.S. Dollar, Deutschmark, etc. Rows include Pound Sterling, Deutschmark, Japanese Yen, etc.

INTERNATIONAL MONEY MARKET

Swedish and French rates up

The National Bank of Sweden yesterday announced a rise in its discount rate from 8 per cent to 7 per cent. Its first move for nearly a year...

GOLD

Further record

Gold continued to rise to very active trading yesterday and finished at a record closing level of \$287.2881, a rise of \$41 an ounce...

UK MONEY MARKET

Special deposits cut

Bank of England Minimum Lending Rate 14 per cent (since June 12, 1979). The rate of call on special deposits was cut temporarily to 1 per cent from 2 per cent yesterday...

LONDON MONEY RATES

Table with columns: July 5 1979, Sterling, Local Authority, Finance House, etc. Rows include Overnight, 7 days, 14 days, 1 month, 3 months, 6 months, 12 months, 2 years.

MONEY RATES

Table with columns: NEW YORK, GERMANY, FRANCE, JAPAN. Rows include Prime Rate, Treasury Bills, etc.

COMPANY NOTICES

Advertisement for Leveraged Capital Holdings N.V. featuring a logo and text about annual general meetings and shareholder notices.

APPOINTMENTS

Advertisement for Finance Director position at TYZACK & PARTNERS LTD, London. Includes details about the role, remuneration, and contact information.

Advertisement for City of Lima (The Honorable Provincial Council of Lima) regarding the first mortgage bonds 1911.

Advertisement for Head of Finance and Administration position at TYZACK & PARTNERS LTD, Germany.

Advertisement for Morgan Guaranty Trust Ltd regarding the liquidation of Pan London WTA 38A.

LEGAL NOTICES

Legal notice regarding the liquidation of Monument Promotions Limited and The Companies Act 1968.

Advertisement for TYZACK & PARTNERS LTD, London, regarding the requirement for a qualified accountant.

COMPANY NOTICES

Advertisement for RAND MINES, LIMITED, a member of the Barlow Rand Group.

Advertisement for TYZACK & PARTNERS LTD, London, regarding the requirement for a qualified accountant.

COMPANY NOTICES

Advertisement for PAYMENT OF COUPONS for the Republic of South Africa.

WANTED

Advertisement for Office Manager position, requiring experience in management accounts and administrative tasks.

COMPANY NOTICES

Advertisement for NACIONAL FINANCIERA, S.A., regarding floating rate notes.

APPOINTMENTS WANTED

Advertisement for EXPERIENCED SALESMAN WITH EXTENSIVE HIGH-LEVEL CONTACTS.

COMPANY NOTICES

Advertisement for MALAYAN TIN DREDGING (INCORPORATED IN MALAYSIA).

COMPANY NOTICES

Advertisement for MALAYAN TIN DREDGING (INCORPORATED IN MALAYSIA).

COMPANY NOTICES

Advertisement for MALAYAN TIN DREDGING (INCORPORATED IN MALAYSIA).

COMPANY NOTICES

Advertisement for MALAYAN TIN DREDGING (INCORPORATED IN MALAYSIA).

WORLD STOCK MARKETS

No decided trend on Wall St. at mid-session

INVESTMENT DOLLAR PREMIUM \$2.60 to \$1-2 1/2% (24 1/2%) Effective \$2,230 5 1/2% (61%) MIXED MOVEMENTS were recorded on the Wall Street stock market at mid-session yesterday...

The Dow Jones Industrial Average was a modest 1.02 casier Closing prices and market reports were not available for this edition.

at \$34.86 at 1 pm, while the NYSE All Common Index continued with a narrow range of 5 cents at \$57.89 and rises exceeded declines, issues by a narrow margin. Trading volume came to 20.97 million shares, against Tuesday's 1 pm level of 19.94 million.

NEW YORK

Table of stock prices for various companies in New York, including Abbott Labs, AM International, and others.

before trading was halted for an announcement that a large U.S. industrial concern has expressed interest in acquiring the company. The stock had resumed trading by mid-session.

Retaining stocks moved irregularly in the week-end. Juniper but J.C. Penney held steady at \$29, after reporting unchanged sales for the month.

Warner Communications put a subsidiary in a joint venture firm production and marketing company with three Twentieth Century-Fox executives who are leaving Fox, including Alan Ladd Junior.

NEW YORK

Table of stock prices for various companies in New York, including Control Data, Corning Glass, and others.

to \$46. Pennsylvania Engineering gained \$1 to \$41, but Great Basin Petroleum were off \$1 to \$12.

Most sectors continued to lose ground in active dealings yesterday morning, with the Toronto Composite Index receding 8.8 further to 1,882.5 at noon.

In Montreal, Utilities declined 1.35 to 233.74, but Banks put on 0.20 to 305.82 and Papers edged up 0.03 to 171.99.

NEW YORK

Table of stock prices for various companies in New York, including Revlon, Reynolds Metals, and others.

improvement. The Nikkei-Dow Jones Average was a net 17.61 down at 6,232.42, while the Tokyo SE Index finished 1.03 off at 488.38.

Oil, Trading Houses and large-capital issues retreated in the afternoon as buying subsided. Tekelco Oil gave up Y18 at Y388, Nippon Oil Y20 at Y1,470 and Marubeni Y13 at Y345.

Export-oriented Electricals and Vehicles generally edged lower on sporadic liquidations. Sony shed Y20 to Y2,020, TDK Electronics Y30 to Y1,740, Honda Motors Y9 to Y545, Toyota Motor Y3 to Y883 and Toyota Kogyo Y15 to Y505.

NEW YORK

Table of stock prices for various companies in New York, including Williams Co, Wacoam Elec, and others.

drained some capital from the marketplace. On Wednesday, Oil issues, in contrast to the overall trend, remained in demand in view of rising oil prices and reports of an oil strike in the North Sea.

Also gaining ground against the general downward trend were Imperial, Alsacoepe and Supermarbe. UIS, Fraxist and Majorette.

Credit Industriel et Commercial eased 50 centimes to Fr 115 official discount rate this year, although the Central Bank ruled out a rise.

NEW YORK

Table of stock prices for various companies in New York, including Abitibi Paper, Alcan Aluminum, and others.

The Bundesbank sold DM500 million of stock, however, in open market operations after DM17.6 million sales on Wednesday.

Particularly weak spots included Bouygues, BIC, Colmegg, Decks de France, Focsa, Cite, Pierrelite-Auby, Europe 1, LMT, Maisons Pfenix and Thomson Braod.

Credit Industriel et Commercial eased 50 centimes to Fr 115 official discount rate this year, although the Central Bank ruled out a rise.

NEW YORK

Table of stock prices for various companies in New York, including Abitibi Paper, Alcan Aluminum, and others.

Indices

Table of stock indices for New York, London, and other markets, including Dow Jones, Nikkei-Dow Jones, and others.

Table of stock indices for various countries, including Australia, Germany, and others.

Table of stock indices for various countries, including Hong Kong, Johannesburg, and others.

Table of stock indices for various countries, including Montreal, Toronto, and others.

Table of stock indices for various countries, including Amsterdam, Tokyo, and others.

Table of stock indices for various countries, including Brussels, London, and others.

Table of stock indices for various countries, including Paris, Zurich, and others.

Table of stock indices for various countries, including Milan, Vienna, and others.

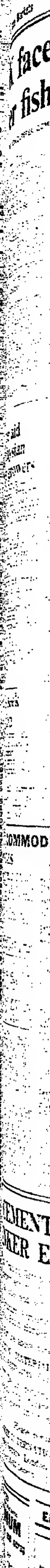
Table of stock indices for various countries, including London, New York, and others.

Table of base lending rates for various banks and financial institutions.

Table of European options exchange data, including ARK, AKZ, and other companies.

Table of European options exchange data, including Ahold, Akzo, and other companies.

Table of European options exchange data, including Ansaldo, Ansaldo, and other companies.



COMMODITIES AND AGRICULTURE

UK faces court action over fishing order

BRUSSELS — The British Minister of Agriculture, argued Government faces the possibility of EEC court action as a result of its decision to order an increase in the minimum mesh size of nets used for catching white fish in the North Sea from July 1.

Plea for aid to Malaysian rubber growers

KUALA LUMPUR — The Malaysian Rubber Producers' Council (MERC) has asked the Government for wider ranging tax concessions to encourage rubber growing.

Brokers seek liquidation

COMMERCIAL brokers Euro Commodities, said its board will recommend voluntary liquidation of the company at a members' and creditors meeting on July 25.

Uganda acts to boost coffee production

TO STIMULATE Ugandan robusta coffee production after the year of lower prices, President Amin, the new Government is to double the price paid to farmers to 14.80 Uganda shillings a kilo (about \$1.9).

Tin cost rise claimed

By Our Commodities Staff THE AVERAGE production cost for tin in all producing countries has risen to 1,443 Malaysian ringgits a picol (55,012 a tonne at the present exchange rate), an official of the Malaysian primary industries ministry claimed yesterday.

ROYAL SHOW

An exercise in overkill

BY JOHN KERRINGTON, AGRICULTURE CORRESPONDENT Farmers' apprehension in these matters is increased by the barrage of propaganda in the farming press and on the radio about the spread of diseases. I am an early waker and habitually listen to the BBC's early morning farming programme. Prices of all produce reported can be depressing enough, and then there are warnings of doom, on almost every subject, designed to awaken farmers' consciences.

Israel cotton acreage cut

TEL-AVIV—the area under cotton in Israel has had to be cut because of a water shortage, and this year's crop is again expected to be 70,000 tonnes instead of the 80,000 tonnes originally planned.

Alcan strike

MONTREAL — Alcan Aluminium said yesterday no negotiations were under way to end a two-month strike by about 7,500 workers at three Quebec smelters.

Copper talks highlight rifts

BY BRIJ KHANDARIA IN GENEVA THE LATEST two-week session of talks in Geneva on the prospects for an international agreement on copper, which ended today, have highlighted differences between the producing and consuming countries, as well as within each group.

Japan whale imports curb confirmed

TOKYO — In accordance with a decision announced last week Japan yesterday banned imports of whale products from non-member nations of the International Whaling Commission.

BRITISH COMMODITY MARKETS

Table with columns for BASE METALS, COPPER, and AMALGAMATED METAL TRADING. Includes prices for various metals and alloys.

Table with columns for ZINC, COFFEE, GRAINS, WHEAT, BARLEY, and NUGEL. Includes prices for various agricultural commodities.

Table with columns for RUBBER, SOYABEAN MEAL, and SUGAR. Includes prices for various commodities.

Table with columns for PRICE CHANGES and AMERICAN MARKETS. Includes price changes for various commodities and market news.

CEMENT and CLINKER EXPORTS

International Trading Group specialising in bagged and bulk cement exports GUARANTEES short- or long-term deliveries and services for: CEMENT: Ordinary Portland, Sulphate Resistant, Low Heat, Rapid Hardening, White etc.

MEAT/VEGETABLES

Table with columns for MEAT/VEGETABLES. Includes prices for various meat and vegetable products.

EUROPEAN MARKETS

Table with columns for EUROPEAN MARKETS. Includes prices for various commodities in European markets.

WANTED Industrial/Manufacturing PLATINUM Surplus stocks and scrap £170.00 per TROY OZ.

EDUCATIONAL ALDENHAM SCHOOL SCHOLARSHIPS As a result of recent examinations the following awards have been made...

WOOL FUTURES SYDNEY GREASY-Close (in order, buyer, seller, business, sales). Includes prices for various wool futures.

COFFEE Robusta eased lower during a quiet early session but was supported by scale down Brazil from mass sources, reported Gill and Durfee.

INDICES FINANCIAL TIMES DOW JONES July 4 July 3 Mth ago Year ago. Includes index values for various markets.

LONDON STOCK EXCHANGE

Companies and Markets

Special deposits reduction has little impact on Gilts Worries about export competitiveness affect equities

Account Dealing Dates Option First Declara- Last Account Dealings tions Dealings Day Jun. 18 Jun. 28 Jun. 29 July 10 Jun. 12 July 13 July 24 July 16 July 26 July 27 Aug. 7

moved for the remainder of a much slower session. The Bank of England's move was seen as only a technical operation to alleviate liquidity problems ahead of today's and next Wednesday's calls amounting to about £745m on the two partly-paid British Funds.

exporters because of the sharply rising pound was reflected in leading shares from the start. A slight downward drift soon gathered momentum in the absence of institutional and other demand to leave some constituents of the FT 30-share index with falls ranging to double figures.

suspended at 400p pending an announcement. ICI slipped 3 further to 334p before rallying to close just a penny cheaper on balance at 338p. Fisons rose 4 to 254p in late dealings. Elsewhere in Chemicals, Carless Capet improved 3 to 51p on consideration of its North Sea interests, but persistent selling left Allied Colloids 8 down at 92p.

stimulated buying in Wessaco which gained 7 to 129p. Foods drifted gently lower in the absence of support. Bowtree Mackintosh cheapened 4 more to 174p, while Tate and Lyle eased 2 to 132p and Cadbury Schweppes 2 to 129p.

Recent demand for Properties slackened and the leaders closed a penny or so lower. Speculative counters Bernard Stanley, 385p, and Emry, 670p, eased 5 and 4 respectively, while Ruskin and Tompkins gave up 10 to 157p on a withdrawal of support.

LONDON TRADED OPTIONS table with columns for Option, Ex's rate, Closing price, Vol., etc.

Stores drifted downwards in a subdued business. Recent support for Barton fell away leaving the A 6 lower at 255p with the Warrents 2 cheaper at 116p.

Stores quiet Stores drifted downwards in a subdued business. Recent support for Barton fell away leaving the A 6 lower at 255p with the Warrents 2 cheaper at 116p.

Unilever above worst Fresh switching from Unilever into Unilever NV depressed the former which reacted further to 502p before staging a modest rally to close 12 down on balance at 508p.

BP good late British Petroleum featured late in the Oil sector with a rise of 19 to 1255p following the forecast dividend of 85p per share for 1979.

FINANCIAL TIMES STOCK INDICES table with columns for July 5, July 4, July 3, etc.

HIGHS AND LOWS table with columns for High, Low, etc.

FOOD PRICE MOVEMENTS table with columns for July 5, Week ago, Month ago.

Banks sold The major clearing banks encountered persistent profit-taking with Barclays and Midland relinquishing 5p each to 470p and 380p respectively.

Options Call options were completed in Britannia Arrow, Shell, Ladbroke, Premier Oil, Impala Platinum, UDI, Grand Met, etc.

ACTIVE STOCKS table with columns for Stock, Denomina- No., Closing price, etc.

RECENT ISSUES table with columns for Issue Price, Latest Price, etc.

NEW HIGHS AND LOWS FOR 1979 table with columns for High, Low, etc.

FT-ACTUARIES SHARE INDICES table with columns for Index No., Day's Change, etc.

From The Banker Research Unit - Four Completely Revised Titles for 1979. Who Owns What in World Banking - 8th Edition £19 in the UK: US\$46 outside UK, including airmail.

FIXED INTEREST STOCKS table with columns for Issue Price, Latest Price, etc.

FIXED INTEREST PRICE INDICES table with columns for British Government, 1-5 year, etc.

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AUTHORISED UNIT TRUSTS

Table listing various unit trusts such as Abbey Unit Trust, Friends' Provident Unit Trust, and others, including their managers and performance data.

Table listing insurance and property bonds, including Abbey Life Assurance Co. Ltd., Crown Life Assurance Co. Ltd., and others.

Table listing international and national investment funds, such as International Fund, National Westminster, and others.

Table listing various trusts and investment vehicles, including Tover Unit Trust, Trades Union Unit Trust, and others.

OFFSHORE AND OVERSEAS FUNDS

Table listing offshore and overseas funds, such as Alexander Fund, Allen Harvey & Ross Inv. Mgt., and others.

NOTES: Price data include 5% commission where indicated, and are for a period ending on the date shown. All figures are in pence unless otherwise stated.

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MINES-Continued

Table of mine stocks including companies like Anglo American, De Beers, and others with their respective prices and market data.

TINS

Table of tin stocks including companies like Anglo-Tin, BHP, and others.

COPPER

Table of copper stocks including companies like Anglo American, BHP, and others.

MISCELLANEOUS

Table of miscellaneous stocks including various international and domestic equities.

NOTES

Notes section containing various financial notices, interest rates, and company announcements.

RECENT ISSUES AND RIGHTS

Section detailing recent issues and rights for various companies, including subscription rates.

REGIONAL MARKETS

Regional markets section listing stock prices for various international regions.

OPTIONS

Options section listing 3-month call rates for various stocks and indices.

DIAMOND AND PLATINUM

Diamond and platinum section listing prices for these commodities.

CENTRAL AFRICAN

Central African section listing stock prices for companies in the region.

INDUSTRIALS-Continued

Large table of industrial stocks including companies like BHP, Anglo American, and various other industrial firms.

INSURANCE-Continued

Table of insurance stocks including companies like Royal Indemnity, Commercial Union, and others.

PROPERTY-Continued

Table of property stocks including companies like British Land, Anglo-Continental, and others.

INVESTMENT TRUSTS-Cont.

Table of investment trusts including companies like British Venture, Anglo-Continental, and others.

FINANCE LAND-Continued

Table of finance and land stocks including companies like Anglo American, BHP, and others.

OILS

Table of oil stocks including companies like Anglo American, BHP, and others.

OVERSEAS TRADERS

Table of overseas trader stocks including companies like Anglo American, BHP, and others.

SHOES AND LEATHER

Table of shoes and leather stocks including companies like Anglo American, BHP, and others.

SOUTH AFRICANS

Table of South African stocks including companies like Anglo American, BHP, and others.

TEXTILES

Table of textile stocks including companies like Anglo American, BHP, and others.

NEWSPAPERS, PUBLISHERS

Table of newspaper and publisher stocks including companies like Anglo American, BHP, and others.

PAPER, PRINTING, ADVERTISING

Table of paper, printing, and advertising stocks including companies like Anglo American, BHP, and others.

INSURANCE

Table of insurance stocks including companies like Anglo American, BHP, and others.

PROPERTY

Table of property stocks including companies like Anglo American, BHP, and others.

TOBACCO

Table of tobacco stocks including companies like Anglo American, BHP, and others.

TRUSTS, FINANCE, LAND

Table of trusts, finance, and land stocks including companies like Anglo American, BHP, and others.

